

NEW BUSINESS
REFERRAL

10-29-19.

**PLANNING AND
ECONOMIC
DEVELOPMENT
STANDING
COMMITTEE**



October 24, 2019

Honorable City Council
City of Detroit
1340 Coleman A. Young Municipal Center
Detroit, Michigan 48226

Re: **Stone Soap Brownfield Redevelopment Plan**

Dear Honorable Council Members:

The enclosed Brownfield Plan for the Stone Soap Redevelopment Project (the "Plan") (Exhibit A), was submitted by the Detroit Brownfield Redevelopment Authority Board (the "DBRA") and to the Community Advisory Committee (the "CAC"). The Plan was considered and reviewed by the CAC at its September 11, 2019 meeting and a public hearing was held by the DBRA on September 18, 2019 to solicit public comments. The Committee's communication to the City Council and the DBRA, dated September 11, 2019 (Exhibit B), recommending approval of the Plan, including the excerpt of the minutes of the CAC meeting pertaining to the plan and the minutes the public hearing held by the DBRA, are enclosed for the City Council's consideration.

On October 9, 2019, the DBRA adopted a resolution (Exhibit C) approving the Plan and authorizing the submission of a copy of its resolution and the Plan to the City Clerk, together with a request that the Detroit City Council call a public hearing concerning the Plan and to take all other actions to approve the Plan in accordance with Act 381.

The Plan is now presented to the City Council for approval. The Detroit City Council will, after publication of the notices, hold a public hearing on the Plan. After the public hearing, the City Council shall determine whether the Plan constitutes a public purpose and, if so, may approve or reject the Plan or approve it with modifications.

Project Introduction

Banyan Investments, LLC is the project developer (the "Developer") for the Plan which entails the demolition of the buildings located at 1460 and 1490 Franklin Street and partial demolition, renovation and expansion of the building located at 1450 Franklin. The proposed redevelopment includes the partial renovation of 1450 Franklin Street and new construction that will feature a theater, wine bar, market, and office space on the first and second floor. The theater is anticipated to house the highly anticipated Shakespeare in Detroit. Approximately 48 residential units are proposed to occupy floors 3 through 8, including 42 condominium units and 6 for-lease apartments. The apartments are anticipated to be available as affordable units at 80% of the Area Median Income (AMI). An onsite parking garage will also be available for residents.

The total investment is estimated to be \$38.4 million. The Developer is requesting \$8,126,685.00 in TIF reimbursement.

There will be 200 temporary construction jobs and 2 FTE jobs. The 2 FTE jobs will be related to property management.

Property Subject to the Plan

The eligible property (the "Property") consists of three (3) parcels located in the Rivertown neighborhood east of downtown Detroit and is bounded by Franklin Street to the north, Riopelle Street to the east, a vacant lot to the south, and an alleyway to the west.

Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) it was previously utilized for a commercial purpose and/or public purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) it is a facility under Part 201 and a "site" under Part 213.

Eligible Activities and Projected Costs

The "eligible activities" that are intended to be carried out at the Property are considered "eligible activities" as defined by Sec 2 of Act 381, because they include Pre-Approved Activities, Department Specific Activities, Demolition, Asbestos Activities, Infrastructure Improvements, Site Preparation, and preparation and implementation of a Brownfield Plan and/or Act 381 Work Plan. The eligible activities and budgeted costs are intended as part of the development of the Property and will be financed solely by the Developer. The Authority is not responsible for any costs of eligible activities and will incur no debt. The eligible activities are estimated to commence within 18 months of approval of the Plan and be completed within 3 years.

Tax Increment Financing (TIF) Capture

The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property after approval of this Plan pursuant to the terms of a Reimbursement Agreement with the DBRA.

COSTS TO BE REIMBURSED WITH TIF

1. Environmental Assessment Activities	\$42,500.00
2. Department Specific Activities	\$640,000.00
3. Demolition	\$827,752.00
4. Asbestos, Mold, and Lead Activities	\$176,740.00
5. Infrastructure Improvements (including Parking)	\$3,243,596.00
6. Site Preparation	\$417,823.00
7. Brownfield Plan & Work Plan Preparation and Implementation	\$60,000.00
8. Contingency (15%)	\$795,887.00
9. Interest	\$1,922,387.00
Total Reimbursement to Developer	\$8,126,685.00
10. Authority Administrative Costs	\$1,723,669.00
11. State Brownfield Redevelopment Fund	\$595,194.00
12. Local Brownfield Revolving Fund	\$3,351,717.00
TOTAL Estimated Costs	\$13,797,265.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the DBRA from the Property shall be governed by the terms of the Reimbursement Agreement.

Other Incentives

The Developer is seeking additional incentives, which will include local and/or state approval of a Commercial Facilities Exemption PA 255 Tax Abatement and Neighborhood Enterprise Zone PA 147 Tax Abatement.

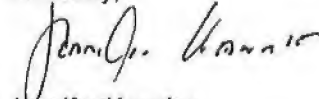
Honorable City Council
October 24, 2019
3

DBRA's Request

The DBRA is respectfully requesting the following actions from the City Council:

- a.) October 29, 2019
City Council adoption of the Resolution (Exhibit D), setting the Stone Soap Brownfield Redevelopment Plan public hearing, as approved by the Planning and Economic Development Standing Committee Chair and the City of Detroit Clerk, for November 14, 2019 at 10:25 AM in the Council Chambers, 13th Floor of the Coleman A. Young Municipal Center, located at 2 Woodward Avenue, Detroit, Michigan.
- b.) November 14, 2019, 10:20 AM
Discussion with taxing jurisdictions regarding the fiscal impact of the Plan.
- c.) November 14, 2019, 10:40 AM
Public Hearing at City Council's Planning and Economic Development Standing Committee concerning the Stone Soap Brownfield Redevelopment Plan.
- d.) November 19, 2019
City Council adoption of the Resolution approving the Stone Soap Brownfield Redevelopment Plan (Exhibit E).

Sincerely,



Jennifer Kanalos
Authorized Agent

- c City Clerk
Marcel Todd
Irvin Corley, Jr.
David Whitaker
Derrick Headd
Marcel Hurt
DeAndree Watson
Kevin Johnson
Malinda Jensen
Matthew Walters
Allen Rawls
Brian Vosburg
Stephanie Washington

EXHIBIT A

CITY OF DETROIT
BROWNFIELD REDEVELOPMENT AUTHORITY

BROWNFIELD PLAN FOR THE
PROPOSED STONE SOAP REDEVELOPMENT
PROJECT

Prepared by:

Banyan Investments, LLC
PO Box 15096
Detroit, Michigan 48215
Contact Person: Aamir Farooqi
Phone: 313-449-8237
aamirfarooqi@banyandirect.com

PM Environmental
4080 West Eleven Mile Road
Berkley, Michigan 48072
Contact Person: Elizabeth Masserang
Phone: 248-414-144
masserang@pmenv.com

September 3, 2019
Revised September 20, 2019

**CITY OF DETROIT
BROWNFIELD REDEVELOPMENT AUTHORITY
BROWNFIELD PLAN**

TABLE OF CONTENTS

I.	INTRODUCTION	I-1
II.	GENERAL PROVISIONS	
	A. Description of Eligible Property	II-2
	B. Basis of Eligibility	II-3
	C. Summary of Eligible Activities	II-3
	D. Estimate of Captured Taxable Value and Tax Increment Revenues; Impact of Tax Increment Financing on Taxing Jurisdictions	II-5
	E. Plan of Financing; Maximum Amount Of Indebtedness	II-5
	F. Duration of Plan	II-6
	G. Effective Date of Inclusion	II-7
	H. Displacement/Relocation of Individuals On Eligible Property	II-7
	I. Local Brownfield Revolving Fund (LBRF)	II-7
	J. Brownfield Redevelopment Fund	II-7
	K. Developer's Obligations, Representations and Warrants	II-7
III.	ATTACHMENTS	
	A. Site Map	A-1
	B. Legal Description(s)	B-1
	C. Project Description	C-1
	D. Supportive Letters	D-1

E. Estimated Cost of Eligible Activities	E-1
F. TIF Tables	F-1
G. BSE&E Acknowledgement and Other Environmental Documents	G-1
H. Eligibility Documentation	H-1
I. Incentive Chart	I-1

I. INTRODUCTION

In order to promote the revitalization of environmentally distressed and blighted areas within the boundaries of the City of Detroit, Michigan (the “City”), the City has established the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) pursuant to Michigan Public Act 381 of 1996, as amended (“Act 381”).

The primary purpose of this Brownfield Plan (“Plan”) is to promote the redevelopment of and private investment in certain “brownfield” properties within the City. Inclusion of property within this Plan will facilitate financing of environmental response and other eligible activities at eligible properties, and will also provide tax incentives to eligible taxpayers willing to invest in revitalization of eligible sites, commonly referred to as “brownfields.” By facilitating redevelopment of brownfield properties, this Plan is intended to promote economic growth for the benefit of the residents of the City and all taxing units located within and benefited by the DBRA.

This Plan is intended to apply to the eligible property identified in this Plan and, if tax increment revenues are proposed to be captured from that eligible property, to identify and authorize the eligible activities to be funded by such tax increment revenues.

This Plan is intended to be a living document, which may be modified or amended in accordance with the requirements of Act 381, as necessary to achieve the purposes of Act 381. A subsequent change to the identification or designation of developer after the approval of this Plan by the governing body shall not necessitate an amendment to the Plan, affect the application of this Plan to the eligible property or impair the rights available to the DBRA under this Plan. The applicable sections of Act 381 are noted throughout the Plan for reference purposes.

This Plan describes the project to be completed (see Attachment C) and contains all of the information required by Section 13(2) of Act 381.

II. GENERAL PROVISIONS

A. Description of the Eligible Property (Section 13 (2)(h)) and the Project

The property comprising the eligible property consists of three (3) parcels. All three parcels commonly known as, “1450, 1460, and 1490 Franklin Street” are considered a “facility”. The parcels and all tangible personal property located thereon will comprise the eligible property and are collectively referred to herein as the “Property.”

Attachment A includes a site map of the Property. The Property is located in the Rivertown neighborhood east of downtown Detroit and is bounded by Franklin Street to the north, Riopelle Street to the east, a vacant lot to the south, and an alleyway to the west.

Attachment B provides the individual legal descriptions for the eligible property.

Address	Tax ID	Owner
1450 Franklin Street	07000027.	City of Detroit – Planning & Development
1460 Franklin Street	07000026.	City of Detroit
1490 Franklin Street	07000025.	City of Detroit

An entity to be formed on behalf of Banyan Investments, LLC will be the project developer (“Developer”) and proposed future owner of the Property. The project entails demolition of the buildings located at 1460 and 1490 Franklin Street and partial demolition, renovation and expansion of the building located at 1450 Franklin. The proposed redevelopment includes the partial rehabilitation of 1450 Franklin and new construction that will feature a theater, wine bar, market, and office space on the first and second floor. The theater is anticipated to house the highly anticipated Shakespeare in Detroit. The total office, commercial, and theater space will occupy approximately 23,000 square feet. Approximately 48 residential units are proposed to occupy floors 3 through 8, totaling approximately 58,000 square feet. Units are proposed as approximately 42 condos and 6 apartments. The apartments are anticipated to be marketed as affordable units (i.e. 80% Area Mean Income (AMI)). In addition, the development will provide an on-site parking garage for residents. It is currently anticipated that construction will begin in the spring of 2020 and eligible activities will be completed in 2022, which is the estimated construction period. The project description provided herein is a summary of the proposed development at the time of the adoption of the Plan. The actual development may vary from the project description provided herein, without necessitating an amendment to this Plan, so long as such variations arise as a result of changes in market and/or financing conditions affecting the project and/or are related to the addition or immaterial removal of amenities to the project. Any material changes, as determined by DBRA in its sole discretion, to the project description are subject to the approval of the DBRA staff and shall be consistent with the overall nature of the proposed development, its proposed public purpose, and the purposes of Act 381.

Attachment C provides a description of the project to be completed at the Property (the “Project”) and Attachment D includes letters of support for the Project.

B. Basis of Eligibility (Section 13 (2)(h) and Section 2 (o))

The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) the Property was previously utilized for industrial, commercial and residential purposes; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is determined to be a “facility” as defined by Act 381 and a “site” under Part 213.

The Property is an open Leaking Underground Storage Tank (LUST) site with one gasoline release (C-0016-10) reported in January 2010 based on the in-place closure of one 1,000-gallon and one 2,500-gallon gasoline USTs in the southeastern portion of the subject building.

Additionally, based on current and previous site investigation activities contaminant concentrations identified in soil and groundwater on the Property indicate exceedances of the Part 201/213 Residential and Nonresidential Drinking Water Protection/Drinking Water (DWP/DW), Groundwater Surface Water Interface Protection/Groundwater Surface Water Interface (GSIP/GSI), Soil Volatilization to Indoor Air Inhalation (SVII) and Direct Contact (DC) cleanup criteria/Risk Based Screening Levels (RBSLs).

Groundwater analytical results identified concentrations of various metals collected from the Property above the Part 201/213 Residential and Nonresidential DW and GSI cleanup criteria/RBSLs.

A concentration of carbon tetrachloride was identified above the Part 201 Residential and Nonresidential DWP cleanup criteria. Concentrations of 1,2-dichloropropane were identified above the Part 201 Residential and Nonresidential DWP cleanup criteria. Concentrations of tetrachloroethylene (PCE) were identified in the soil samples above the Part 201 Residential and Nonresidential DWP and/or GSIP cleanup criteria. Concentrations of trichloroethylene (TCE) were identified in the soil samples above the Part 201 Residential and Nonresidential DWP, GSIP, and/or SVII cleanup criteria. Concentrations of mercury were identified in the soil samples above the Part 201 Residential and Nonresidential DWP and/or GSIP cleanup criteria.

Therefore, based on the soil and groundwater concentrations and the open LUST status, the Property is considered a facility under Part 201 and a site under Part 213.

C. Summary of Eligible Activities and Description of Costs (Section 13 (2)(a),(b))

The “eligible activities” that are intended to be carried out at the Property are considered “eligible activities” as defined by Section 2 of Act 381, because they include Pre-Approved Activities, Department Specific Activities, Demolition, Asbestos Activities, Infrastructure Improvements, Site Preparation and preparation and implementation of Brownfield Plan and/or 381 Work Plan.

A summary of the eligible activities and the estimated cost of each eligible activity intended to be paid for with Tax Increment Revenues from the Property are shown in the table attached hereto as Attachment E. The eligible activities described in Attachment E are not

exhaustive. Subject to the approval of DBRA staff in writing, additional eligible activities may be carried out at the Property, without requiring an amendment to this Plan, so long as such eligible activities are permitted by Act 381 and the performance of such eligible activities does not exceed the total costs stated in Attachment E.

Unless otherwise agreed to in writing by the DBRA, all eligible activities shall commence within eighteen (18) months after the date the governing body approves this Plan and be completed within three (3) years after approval of the Michigan Strategic Fund (MSF) work plan, if applicable, or three (3) years after execution of the Reimbursement Agreement (as that term is defined below). Any long-term monitoring or operation and maintenance activities or obligations that may be required will be performed in compliance with the terms of this Plan and any documents prepared pursuant to this Plan.

The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property pursuant to the terms of a Reimbursement Agreement to be executed by the DBRA and the Developer after approval of this Plan (the "Reimbursement Agreement"), to the extent permitted by Act 381. In the event this Plan contemplates the capture of tax increment revenue derived from "taxes levied for school operating purposes" (as defined by Section 2(uu) of Act 381 and hereinafter referred to as "School Taxes"), the Developer acknowledges and agrees that DBRA's obligation to reimburse the Developer for the cost of eligible activities with tax increment revenue derived from Local Taxes, or Specific Taxes that are considered Local Taxes, (as these capitalized terms are defined by Act 381) is contingent upon: (i) the Developer receiving at least the initial applicable work plan approvals by the MSF and the Department of Environment Great Lakes and Energy (EGLE), as may be required pursuant to Act 381, or (ii) the Developer providing the DBRA with evidence, satisfactory to DBRA, that the Developer has the financial means to complete the project without the capture of, and subsequent reimbursement with, the contemplated School Taxes.

The costs listed in Attachment E are estimated costs and may increase or decrease depending on the nature and extent of environmental contamination and other unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the DBRA from the Property shall be governed by the terms of the Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Act 381. The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment or reimbursement, provided that the total cost of eligible activities subject to payment or reimbursement under the Reimbursement Agreement shall not exceed the estimated costs set forth in Attachment E. As long as the total costs are not exceeded, line item costs of eligible activities may be adjusted after the date this Plan is approved by the governing body, to the extent the adjustments do not violate the terms of the approved EGLE or MSF work plan.

D. Estimate of Captured Taxable Value and Tax Increment Revenues (Section 13(2)(c)); Beginning Date of Capture of Tax Increment Revenues (Section 13(2)(f); Impact of Tax Increment Financing on Taxing Jurisdictions (Section 13(2)(g))

This Plan anticipates the capture of tax increment revenues to reimburse the Developer for the costs of eligible activities under this Plan in accordance with the Reimbursement Agreement. Subject to Section 13(b)(16) of Act 381, a table of estimated tax increment revenues to be captured is attached to this Plan as Attachment F.

Tax increments are projected to be captured and applied to (i) reimbursement of eligible activity costs and payment of DBRA administrative and operating expenses, (ii) make deposits into the State Brownfield Redevelopment Fund, and (iii) make deposits into the DBRA's Local Brownfield Revolving Fund, as follows:

<i>All School Taxes</i>	TOTALS	Reimbursement of costs	DBRA Admin. Costs	State Redev. Fund	Local Brownfield Revolving Fund	Surplus Capture Returned
School Operating	\$4,144,292	\$ 2,723,678	\$ -	\$ 595,194	\$ 588,472	\$236,948
State Education Tax	\$1,381,431	\$ 1,257,872	\$ -	\$ -	\$ 84,067	\$39,491
Total *	\$5,525,722	\$ 3,981,550	\$ -	\$ 595,194	\$672,539	\$276,439
<i>City Non-School Taxes</i>						
City Operating	\$4,395,026	\$ 2,286,239	\$ 825,568		\$ 1,283,219	
Library	\$1,020,051	\$ 530,618	\$ 191,608		\$ 297,825	
<i>County Non-School Taxes</i>						
Wayne County Operating-Summer	\$1,244,207	\$ 647,221	\$ 233,714	\$ -	\$ 363,272	
Wayne County Operating-Winter	\$218,011	\$ 113,407	\$ 40,952	\$ -	\$ 63,653	
Wayne County Parks-Winter	\$64,167	\$ 28,177	\$ 10,175	\$ -	\$ 15,815	
Wayne County Jail-Winter	\$206,646	\$ 107,494	\$ 38,816	\$ -	\$ 60,334	
Huron Clinton Metropolitan Authority (HCMA)	\$48,656	\$ 25,310	\$ 9,139	\$ -	\$ 14,206	
Wayne County ISD (RESA)	\$791,716	\$ 411,841	\$ 148,717	\$ -	\$ 231,158	
Wayne County Special ISD/RESA	\$457,071	\$ 237,763	\$ 85,857	\$ -	\$ 133,451	
Wayne County Community College	\$740,638	\$ 385,271	\$ 139,123	\$ -	\$ 216,245	
Total Incremental Local Taxes Paid	\$9,176,188	\$ 4,773,341	\$ 1,723,669	\$ -	\$2,679,178	\$ -
<i>Total Schools and Non-Schools Capturable Millage</i>	\$14,701,910	\$ 8,754,890	\$ 1,723,669	\$ 595,194	\$3,351,717	\$276,439

In no event shall the duration of this Plan exceed thirty-five (35) years following the date of the governing body's resolution approving this Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five (5) years after the date of the governing body's resolution approving this Plan.

E. Plan of Financing (Section 13(2)(d)); Maximum Amount of Indebtedness (Section 13(2)(e))

The eligible activities are to be financed solely by the Developer. The DBRA will reimburse the Developer for the cost of approved eligible activities, but only from tax increment revenues generated from the Property. No advances have been or shall be made by the City or the DBRA for the costs of eligible activities under this Plan.

All reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in

this Plan are intended to authorize the DBRA to fund such reimbursements and does not obligate the DBRA or the City to fund any reimbursement or to enter into the Reimbursement Agreement providing for the reimbursement of any costs for which tax increment revenues may be captured under this Plan, or which are permitted to be reimbursed under this Plan. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by this Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Unless otherwise agreed upon by the Developer, the DBRA, and the State of Michigan, the DBRA shall not incur any note or bonded indebtedness to finance the purposes of this Plan.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of Eligible Activities permitted under this Plan.

F. Duration of Plan (Section 13(2)(f))

Subject to Section 13b(16) of Act 381, the beginning date of capture of tax increment revenues for each eligible property shall occur in accordance with the TIF table described in Exhibit F. In no event, however, shall this Plan extend beyond the maximum term allowed by Section 13(2)(f) of Act 381 for the duration of this Plan.

Furthermore, this Plan, or any subsequent amendment thereto, may be abolished or terminated in accordance with Section 14(8) of Act 381 in the event of any of the following:

a. The governing body may abolish this Plan (or any subsequent amendment thereto) when it finds that the purposes for which this Plan was established have been accomplished.

b. The governing body may terminate this Plan (or any subsequent amendment thereto) if the project for which eligible activities were identified in this Plan (or any subsequent amendment thereto) fails to occur with respect to the eligible property for at least two (2) years following the date of the governing body resolution approving this Plan (or any subsequent amendment thereto), provided that the governing body first does both of the following: (i) gives 30 days' written notice to the Developer at its last known address by certified mail or other method that documents proof of delivery attempted; and (ii) provides the Developer with an opportunity to be heard at a public meeting.

Notwithstanding anything in this subsection to the contrary, this Plan (or any subsequent amendment thereto) shall not be abolished or terminated until the principal and interest on bonds, if any, issued under Section 17 of Act 381 and all other obligations to which the tax increment revenues are pledged have been paid or funds sufficient to make the payment have been identified or segregated.

G. Effective Date of Inclusion in Brownfield Plan

The Property will become a part of this Plan on the date this Plan is approved by the governing body.

H. Displacement/Relocation of Individuals on Eligible Property (Section 13(2)(i-l))

There are no persons or businesses residing on the eligible property and no occupied residences will be acquired or cleared, therefore there will be no displacement or relocation of persons or businesses under this Plan.

I. Local Brownfield Revolving Fund (“LBRF”) (Section 8; Section 13(2)(m))

The DBRA has established a Local Brownfield Revolving Fund (LBRF). The LBRF will consist of all tax increment revenues authorized to be captured and deposited in the LBRF, as specified in Section 13(5) of Act 381, under this Plan and any other plan of the DBRA. It may also include funds appropriated or otherwise made available from public or private sources.

The amount of tax increment revenue authorized for capture and deposit in the LBRF is currently estimated at \$3,351,717. All funds, if any, deposited in the LBRF shall be used in accordance with Section 8 of Act 381.

J. Brownfield Redevelopment Fund (Section 8a; Section 13(2)(m))

The DBRA shall pay to the Department of Treasury at least once annually an amount equal to fifty percent of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, that are captured under this Plan for up to the first twenty-five (25) years of the duration of capture of tax increment revenues for each eligible property included in this Plan. If the DBRA pays an amount equal to fifty percent of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, on a parcel of eligible property to the Department of Treasury under Section 13b(14) of Act 381, the percentage of local taxes levied on that parcel and used to reimburse eligible activities for the Project under this Plan shall not exceed the percentage of local taxes levied on that parcel that would have been used to reimburse eligible activities for the Project under this Plan if the fifty percent of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, on that parcel were not paid to the Department of Treasury under Section 13b(14) of Act 381.

K. Developer’s Obligations, Representations and Warrants

The Developer and its affiliates shall comply with all applicable laws, ordinances, executive orders, or other regulations imposed by the City or any other properly constituted governmental authority with respect to the Property and shall use the Property in accordance with this Plan.

The Developer, at its sole cost and expense, shall be solely responsible for and shall fully comply with all applicable federal, state, and local relocation requirements in implementing this Plan.

The Developer represents and warrants that a Phase I Environmental Site Assessment (“ESA”), and if appropriate, a Phase II ESA, baseline environmental assessment, and due care plan, pursuant to Part 201 of Michigan’s Natural Resources and Environmental Protection Act (MCL 324.20101 *et seq.*), have been performed on the Property (“Environmental Documents”). Attached hereto as Attachment G is the City of Detroit’s

Department of Buildings, Safety Engineering and Environmental acknowledgement of its receipt of the Phase I ESA, and if appropriate, the Phase II ESA.

The Developer further represents and warrants that the Project does not and will not include a City of Detroit Land Bank Authority, Wayne County Land Bank Authority or State of Michigan Land Bank financing component.

Except as otherwise agreed to by the DBRA, any breach of a representation or warranty contained in this Plan shall render the Plan invalid, subject to the Developer's reasonable opportunity to cure as described in the Reimbursement Agreement.

#3708938 v9

III. ATTACHMENTS

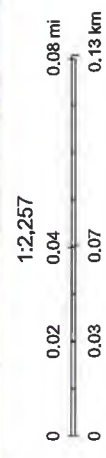
ATTACHMENT A

Site Map

Parcel Map



September 4, 2018



SEMOG, Esri Canada, Esri, HERE, Garmin, INCREMENT P,
USGS, EPA, USDA, AAFC, NRCan

ATTACHMENT B

Legal Descriptions of Eligible Property to which the Plan Applies

Legal Description 1450 Franklin Street, Detroit, Wayne County, Michigan:

Parcel: 07000027

S FRANKLIN W 1/2 14 EXC S 30 FT PLAT OF GUOIN FARM L11 P596 DEEDS, W C R 7/3
27.16 X 101.96A

Legal Description 1460 Franklin Street, Detroit, Wayne County, Michigan:

Parcel: 07000026

S FRANKLIN W 27.29 FT ON N LINE BG W 27.62 FT ON S LINE 24 EXC S 30 FT SUB OF
RIOPELLE FARM L15 P394-5 CITY RECORDS, WCR 7/2 13 E 1/2 14 EXC S 30 FT PLAT OF
GUOIN FARM L11 P596 DEEDS, W C R 7/3 108.77 IRREG

Legal Description 1490 Franklin Street, Detroit, Wayne County, Michigan:

Parcel: 07000025

S FRANKLIN 22-23 E 22.79 FT ON N LINE BG E 22.46 FT ON S LINE 24 EXC S 30 FT OF
SAID LOTS SUB OF RIOPELLE FARM L15 P394-5 CITY RECORDS, W C R 7/2 122.95 IRREG

ATTACHMENT C

Project Description

**Stone Soap Development
1450, 1460, and 1490 Franklin Street**

PROJECT DESCRIPTION

Development Team and Company Synopsis

Banyan Investments, LLC (Banyan) is the project developer ("Developer") and proposed owner of the Property. Banyan is a local property development and management firm that restores, renovates and manages real estate in and around Detroit. The group focuses on single family homes, multi-units, and mixed-use buildings in target areas of the city. Banyan is guided by a simple philosophy that good ethics is good business and its success is founded on the belief that we will "do well by doing good."

Since inception, Banyan has grown a rich portfolio of properties in various parts of Greater Detroit, several of which are in historic districts of the city such as the Boston-Edison area, the Historic Indian Village and West Village. These properties speak of a bygone era and reflect Detroit's former grandeur. Banyan seeks to identify and acquire properties that enable the delivery of their mission and intends to ensure each property is carefully restored.

Banyan is led by Chief Executive Officer (CEO) Aamir Farooqi, a Chartered Accountant (CPA) and a Member of the Institute of Chartered Accountants in England & Wales. Before starting Banyan Investments, Aamir spent 25 years with Cargill, Incorporated in the United States, South America, Europe and Asia. Cargill, Inc. (headquartered in Minneapolis, Minnesota) is one of the world's largest corporations involved in agriculture and global food and commodities.

The development team has selected O'Brien Construction Company, Inc. as the General Contractor and VolumeOne Design Studio as the architect.

Project Synopsis

The Developer intends to complete a partial rehabilitation and redevelopment of the Property which is composed of three adjoining three and four-story buildings. Located in Detroit's Rivertown neighborhood east of downtown, the three buildings have been vacant for approximately twenty years. Previous uses include a variety of residential, industrial, and retail purposes, most notably Stone Soap Company, Inc. from which the Development gained its name.



The western building (1450 Franklin Street) was constructed between 1884 and 1897. The central building (1460 Franklin Street) totals 32,644 square feet and was constructed in approximately 1907. The eastern building (1490 Franklin Street) totals approximately 40,992 square feet and was constructed between 1927 and 1929.

The project entails the demolition of the two eastern buildings (1460 and 1490 Franklin Street) and renovation and expansion of the third building (1450 Franklin Street). When completed, the multistory building will function as residential and commercial space, totaling approximately 132,000 square feet. The addition features a slopping, wedge-like roof, connecting the eight-story section to the original, four-story 1450 Franklin building. The Stone Soap Development will feature commercial spaces on the first and second floors of the existing building, which include a theater, wine bar, market, and office space. The total office, commercial, and theater space will occupy approximately 23,000 square feet. The theater space is anticipated to house Shakespeare in Detroit. Approximately 48 residential units are proposed to occupy floors 3 through 8, totaling approximately 58,000 square feet. The apartment units will be reserved as affordable units at 80% Area Median Income (AMI).



In addition, floors one and two will be partially utilized as an internal parking structure to serve residents. Other residential facilities include a gym, pool, rooftop gardens, storage, and bike stations.



The redesign of the Stone Soap Development strategically balances the juxtaposition of old and new. The original building's remaining brick façade and large exterior windows will be restored and replaced to withhold historical accuracy. The contemporary L-shaped addition will be minimalistic and industrial, sporting a galvanized metal panel façade. Floor to ceiling windows will be installed to mimic the original architecture, creating a unifying and contemporary composition.

Upon completion, this project will bring a vacant and underutilized property back to productive use, addressing the growing demand for residential and commercial space within Rivertown and will further catalyze economic development in the area.



Project Investment Estimates

Capital Cost	Total Cost
Acquisition Cost	\$ 725,000
Renovation/Rehabilitation	\$ 31,000,000
Soft Costs	\$ 6,675,000
Total Capital Costs	\$ 38,400,000

Additional Financing Incentives Associated with the Redevelopment

Substantial investment is necessary to rehabilitate the existing building. In efforts to grow this project into a viable, long-term redevelopment, the Developer will also apply for secured a Michigan Community Revitalization Program (CRP) loan, Neighborhood Enterprise Zone (NEZ) tax abatements, and a Public Act 255 Commercial Redevelopment Act Tax Abatement for the project.

Cost/Benefit Analysis

The proposed project will help meet demand for commercial and housing stock in Detroit's Rivertown neighborhood. The Stone Soap redevelopment is part of the city's larger East Riverfront framework plan, designed to return the riverfront back to the citizens of Detroit. The development works under the East Riverfront area plan, transforming a former blighted, industrial Property into a contemporary multiuse building. Investment such as the Stone Soap Development will help create an integrated and vibrant waterfront for all Detroiters.

The additional commercial and residential housing within the City will contribute to new income tax for Detroit as a result of the creation of private investment. The project will provide a retail and entertainment destination and increase the density of the Rivertown neighborhood to further catalyze economic development in the surrounding area. Local businesses in the area will benefit from an influx of new jobs into the area and an increase in spinoff consumer spending.

On a short-term basis, approximately 200-250 construction jobs will be created during the estimated two-year construction period. On a long-term basis the proposed redevelopment associated with the project will create approximately 2 full time equivalent (FTE) jobs directly by the developer. It is estimated that future tenants will create an additional 10 FTE jobs. The development team will solicit bidders and garner opportunities to employ Detroit residents and Detroit-based businesses.

The increase in tenant-based jobs within the building will increase City collected income tax at a 1.2% rate for non-residents and 2.4% rate for Detroiters.

Over time, successful redevelopment will have a significant impact on the Rivertown neighborhood

ATTACHMENT D

Supportive Letters



CITY OF DETROIT
PLANNING AND DEVELOPMENT DEPARTMENT

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVENUE SUITE 808
DETROIT, MICHIGAN 48226
(313) 224-1339 • TTY:711
(313) 224-1310
WWW.DETROITMI.GOV

July 22, 2019

Ms. Jennifer Kanalos
Authorized Agent
Detroit Brownfield Redevelopment Authority
500 Griswold, Suite 2200
Detroit, Michigan 48226

RE: Stone Soap Brownfield Redevelopment Plan

Dear Ms. Kanalos,

The Detroit Brownfield Redevelopment Authority (DBRA) has asked that the Planning and Development Department to review and comment on the Stone Soap Brownfield Redevelopment Plan (the "Plan").

Banyan Investments, LLC is the project developer ("Developer"). The property in the Plan is located on three parcels located in Detroit's Rivertown neighborhood east of downtown and is roughly bounded by Franklin Street to the north, Riopelle Street to the east, an alleyway to the south, and commercial properties to the west. Previous uses include a variety of residential, industrial, and retail purposes, most notably Stone Soap Company, Inc. from which the Development gained its namesake.

The Plan consists of the partial rehabilitation and redevelopment of three existing adjoining three and four-story buildings. The project entails the demolition of the two eastern buildings (1460 and 1490 Franklin Street) and renovation and expansion of the third building (1450 Franklin Street). When completed, the multistory building will function as residential and commercial space, totaling approximately 132,000 square feet. The addition features a sloping, wedge-like roof, connecting the eight-story section to the original, four-story 1450 Franklin building. The Stone Soap Development will feature commercial spaces on the first and second floors of the existing building, which include a theater, wine bar, market, and office space. The total office, commercial, and theater space will occupy approximately 23,000 square feet. Approximately 48 condominium and apartment units are proposed to occupy floors 3 through 8, totaling approximately 58,000 square feet. The apartment units will be reserved as affordable units at 80% Area Median Income (AMI).

The development will renovate and fully reactivate a significant building in the Rivertown neighborhood of Detroit. Total investment is estimated at \$38 million.

The review for this brownfield plan is complete and all comments have been forwarded to the developer. No adverse comments were received. The Planning and Development Department recommends approval of the brownfield plan as submitted.

Sincerely,

Maurice Cox
Director

Planning and Development Department

c: B. Vosburg

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Chairman

Mark C. Wallace
President & CEO

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Frank Venegas, Jr.
Beverly J. Watts
Susan White
Scott A. Wickens
Alexis Wiley

August 22, 2019

Brian Vosburg, Manager
Detroit Brownfield Redevelopment Authority
500 Griswold, Suite 2200
Detroit, MI 48226

RE: Letter of Support for the 1450 Franklin Road Mixed Use Development

Dear Mr. Vosburg:

The Detroit Riverfront Conservancy (DRFC) would like to express our full support for this mixed use development here on the east riverfront. The DRFC has been working diligently to develop public space along the riverfront to bring people to this natural resource. Through our efforts we have seen the private investment in this area flourish – our 2013 Economic Impact Study identified \$1 billion of investment to this area.

The mixed use development being proposed by Banyan Investments will be another illustration of economic investment that will uplift and improve the visitor experience here in Rivertown. This is the kind of real estate and economic developments that will enhance this district and provide much needed amenities and services.

We are committed to building, operating, programming and maintaining the Detroit RiverWalk so that all feel welcome.

If you need any additional information, please feel free to contact me.

Sincerely,



Mark C. Wallace
President and CEO



August 25, 2019

Mr. Brian Vosburg
Detroit Brownfield Redevelopment Authority
500 Griswold
Detroit, MI 48226

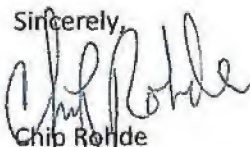
Dear Mr. Vosburg:

Please accept this Letter of Support for the Stone Soap project at 1450 Franklin which is being developed by Banyan Investments. This project is an exciting and critical development that will help the continuing re-vitalization of the Rivertown Detroit area.

Over the past 10 years we have seen the Rivertown area begin to flourish again. The vision and direction of Aamir Farooqi and the Banyan Investment team to bring the Stone Soap building back to life is a welcome addition to our area. I know Aamir and his staff personally and I could not think of a better organization to lead this transformation.

The Rivertown residents and businesses who we represent are thrilled with this new addition and are excited to see the work begin.

Should you need any added information, please feel free to contact me.

Sincerely,

Chip Rohde
President

Rivertown Detroit Association, A 501(c)(3) Non-Profit Corporation
2711 E. Jefferson Ave Detroit, MI 48207
1-313-259-1010

ATTACHMENT E

Estimated Cost of Eligible Activities Table

Table 1: Eligible Activities Cost Estimates			
Item/Activity	Total Request	MSF Act 381 Eligible Activities	EGLE Act 381 Eligible Activities
Pre-Approved Activities			
Phase I ESAs	\$ 7,500	\$ -	\$ 7,500
Phase II ESA/BEA/DDCC	\$ 20,000	\$ -	\$ 20,000
Hazardous Materials Survey	\$ 15,000	\$ -	\$ 15,000
Pre Approved Activities Sub-Total	\$ 42,500	\$ -	\$ 42,500
Department Specific Activities			
Vapor Barrier Mitigation	\$ 400,000	\$ -	\$ 400,000
Soil transport, and disposal	\$ 110,000	\$ -	\$ 110,000
UST Removal	\$ 70,000	\$ -	\$ 70,000
Sampling, reporting, and oversight	\$ 60,000	\$ -	\$ 60,000
Department Specific Activities Sub-Total	\$ 640,000	\$ -	\$ 640,000
Demolition			
Building/Site Demolition Activities	\$ 560,472	560,472	\$ -
Sheeting and Shoring Related to Demolition	\$ 79,500	79,500	\$ -
Removal of Abandoned Utilities	\$ 21,200	21,200	\$ -
Backfill Related to Site Demolition Activities	\$ 151,580	151,580	\$ -
Demolition Surveys	\$ 15,000	15,000	\$ -
Demolition Sub-Total	\$ 827,752	\$ 827,752	\$ -
Asbestos, Mold, and Lead Activities			
Asbestos Abatement	\$ 176,740	\$ 176,740	\$ -
Asbestos and Lead Activities Sub-Total	\$ 176,740	\$ 176,740	\$ -
Infrastructure Improvements			
Multi-level Parking Structure	\$ 3,076,519	\$ 3,076,519	\$ -
Sidewalk Improvements	\$ 21,200	\$ 21,200	\$ -
Curbs and Gutters	\$ 8,077	\$ 8,077	\$ -
Stormsewer Repairs/Installations	\$ 106,000	\$ 106,000	\$ -
Landscaping	\$ 31,800	\$ 31,800	\$ -
Infrastructure Sub-Total	\$ 3,243,596	\$ 3,243,596	\$ -
Site Preparation			
Temporary Construction Access/Roads	\$ 16,295	\$ 16,295	\$ -
Temporary Traffic Control	\$ 19,080	\$ 19,080	\$ -
Temporary Site Control (fencing, gates, signage and/or lighting)	\$ 37,100	\$ 37,100	\$ -
Temporary Facility	\$ 100,700	\$ 100,700	\$ -
Temporary Sheeting and Shoring	\$ 53,000	\$ 53,000	\$ -
Relocation of Active Utilities (Electric, Gas, Water, Sewer)	\$ 31,800	\$ 31,800	\$ -
Geotechnical Engineering Including Investigating Existing Subsurface Conditions, Soil Sampling, Assessing Risks Posed by Site Conditions, Designing Earthworks and Structure Foundations	\$ 7,950	\$ 7,950	\$ -
Excavation for Unstable Material (urban/historic fill) and related backfill	\$ 151,898	\$ 151,898	\$ -
Site Preparation Sub-Total	\$ 417,823	\$ 417,823	\$ -
Preparation of Brownfield Plan and Act 381 Workplan			
Brownfield Plan/381 Work Plan	\$ 30,000	\$ 15,000	\$ 15,000
Brownfield Plan Implementation	\$ 30,000	\$ 15,000	\$ 15,000
Brownfield Plan and Act 381 Workplan Sub-Total	\$ 60,000	\$ 30,000	\$ 30,000
Eligible Activities Sub-Total	\$ 5,408,411	\$ 4,695,911	\$ 712,500
15% Contingency*	\$ 795,887	\$ 699,887	\$ 96,000
Interest	\$ 1,922,387	\$ -	\$ -
Developer Eligible Reimbursement Total	\$ 8,126,685	\$ 5,395,798	\$ 808,500
TIF Capture for Local Brownfield Revolving Fund (LBRF)	\$ 3,351,717	\$ -	\$ -
Administrative Fee	\$ 1,723,669	\$ -	\$ -
State Brownfield Fund	\$ 595,194	\$ -	\$ -
Total	\$ 13,797,265	\$ 5,395,798	\$ 808,500
*15% Contingency excludes preparation of Brownfield Plan/381 Work Plan and Pre-Approved Activities			

ATTACHMENT F

TIF Tables

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		Year													
		Assumed annual increase in TV													
		2%													
		Ad Valorem Capitated by District (ADA)													
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	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405	2406	2407	2408	2409	2410	2411	2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2423	2424	2425	2426	2427	2428	2429	2430	2431	2432	2433	2434	2435	2436	2437	2438	2439	2440	2441	2442	2443	2444	2445	2446	2447	2448	2449	2450	2451	2452	2453	2454	2455	2456	2457	2458	2459	2460	2461	2462	2463	2464	2465	2466	2467	2468	2469	2470	2471	2472	2473	2474	2475	2476	2477	2478	2479	2480	2481	2482	2483	2484	2485	2486	2487	2488	2489	2490	2491	2492	2493	2494	2495	2496	2497	2498	2499	2500	2501	2502	2503	2504	2505	2506	2507	2508	2509	2510	2511	2512	2513	2514	2515	2516	2517	2518	2519	2520	2521	2522	2523	2524	2525	2526	2527	2528	2529	2530	2531	2532	2533	2534	2535	2536	2537	2538	2539	2540	2541	2542	2543	2544	2545	2546	2547	2548	2549	2550	2551	2552	2553	2554	2555	2556	2557	2558	2559	2560	2561	2562	2563	2564	2565	2566	2567	2568	2569	2570	2571	2572	2573	2574	2575	2576	2577	2578	2579	2580	2581	2582	2583	2584	2585	2586	2587	2588	2589	2590	2591	2592	2593	2594	2595	2596	2597	2598	2599	2600	2601	2602	2603	2604	2605	2606	2607	2608	2609	2610	2611	2612	2613	2614	2615	2616	2617	2618	2619	2620	2621	2622	2623	2624	2625	2626	2627	2628	2629	2630	2631	2632	2633	2634	2635	2636	2637	2638	2639	2640	2641	2642	2643	2644	2645	2646	2647	2648	2649	2650	2651	2652	2653	2654	2655	2656	2657	2658	2659	2660	2661	2662	2663	2664	2665	2666	2667	2668	2669	2670	2671	2672	2673	2674	2675	2676	2677	2678	2679	2680	2681	2682	2683	2684	2685	2686	2687	2688	2689	2690	2691	2692	2693	2694	2695	2696	2697	2698	2699	2700	2701	2702	2703	2704	2705	2706	2707	2708	2709	2710	2711	2712	2713	2714	2715	2716	2717	2718	2719	2720	2721	2722	2723	2724	2725	2726	2727	2728	2729	2730	2731	2732	2733	2734	2735	2736	2737	2738	2739	2740	2741	2742	2743	2744	2745	2746	2747	2748	2749	2750	2751	2752	2753	2754	2755	2756	2757	2758	2759	2760	2761	2762	2763	2764	2765	2766	2767	2768	2769	2770	2771	2772	2773	2774	2775	2776	2777	2778	2779	2780	2781	2782	2783	2784	2785	2786	2787	2788	2789	2790	2791	2792	2793	2794	2795	2796	2797	2798	2799	2800	2801	2802	2803	2804	2805	2806	2807	2808	2809	2810	2811	2812	2813	2814	2815	2816	2817	2818	2819	2820	2821	2822	2823	2824	2825	2826	2827	2828	2829	2830	2831	2832	2833	2834	2835	2836	2837	2838	2839	2840	2841	2842	2843	2844	2845	2846	2847	2848	2849	2850	2851	2852	2853	2854	2855	2856	2857	2858	2859	2860	2861	2862	2863	2864	2865	2866	2867	2868	2869	2870	2871	2872	2873	2874	2875	2876	2877	2878	2879	2880	2881	2882	2883	2884	2885	2886	2887	2888	2889	2890	2891	2892	2893	2894	2895	2896	2897	2898	2899	2900	2901	2902	2903	2904	2905	2906	2907	2908	2909	2910	2911	2912	2913	2914	2915	2916	2917	2918	2919	2920	2921	2922	2923	2924	2925	2926	2927	2928	2929	2930	2931	2932	2933	2934	2935	2936	2937	2938	2939	2940	2941	2942	2943	2944	2945	2946	2947	2948	2949	2950	2951	2952	2953	2954	2955	2956	2957	2958	2959	2960	2961	2962	2963	2964	2965	2966	2967	2968	2969	2970	2971	2972	2973	2974	2975	2976	2977	2978	2979	2980	2981	2982	2983	2984	2985	2986	2987	2988	2989	2990	2991	2992	2993	2994	2995	2996	2997	2998	2999	3000	3001	3002	3003	3004	3005	3006	3007	3008	3009	3010	3011	3012	3013	3014	3015	3016	3017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Customer and Reimbursement Values	Proportionality for all capital costs	Local-Only Taxes	Total to Developer
State	\$ 2,182,081	\$ 2,182,081	\$ 2,182,081
Local	\$ 5,807,842	\$ 5,807,842	\$ 5,807,842
TOTAL	\$ 7,989,923	\$ 7,989,923	\$ 7,989,923
EGE	\$ 885,602	\$ 885,602	\$ 885,602
MGF	\$ 7,104,321	\$ 7,104,321	\$ 7,104,321

Estimated Total
Years of Plan: 27

Estimated Capture
Administrative Fees
State Brownfield Redevelopment Fund
Local Brownfield Revolving Fund

\$ 14,703,910
\$ 1,721,669
\$ 996,194
\$ 3,351,717

Customer and Reimbursement Values	Proportionality for all capital costs	Local-Only Taxes	Total to Developer
State	\$ 2,182,081	\$ 2,182,081	\$ 2,182,081
Local	\$ 5,807,842	\$ 5,807,842	\$ 5,807,842
TOTAL	\$ 7,989,923	\$ 7,989,923	\$ 7,989,923
EGE	\$ 885,602	\$ 885,602	\$ 885,602
MGF	\$ 7,104,321	\$ 7,104,321	\$ 7,104,321

Total School Incremental Revenue	\$ 16,051	\$ 16,364	\$ 58,335	\$ 77,047	\$ 78,540	\$ 80,053	\$ 81,616	\$ 83,201	\$ 84,817	\$ 86,458	\$ 88,125	\$ 89,818	\$ 91,538	\$ 93,275	\$ 95,038	\$ 96,825	\$ 98,638	\$ 100,468	\$ 102,315	\$ 104,178	\$ 106,058	\$ 107,955	\$ 109,868	\$ 111,798	\$ 113,745	\$ 115,708	\$ 117,688	\$ 119,685	\$ 121,698	\$ 123,728	\$ 125,775	\$ 127,838	\$ 129,918	\$ 132,015	\$ 134,128	\$ 136,258	\$ 138,405	\$ 140,568	\$ 142,748	\$ 144,945	\$ 147,158	\$ 149,388	\$ 151,635	\$ 153,898	\$ 156,178	\$ 158,475	\$ 160,788	\$ 163,118	\$ 165,465	\$ 167,828	\$ 170,208	\$ 172,605	\$ 175,018	\$ 177,448	\$ 179,895	\$ 182,358	\$ 184,838	\$ 187,335	\$ 189,848	\$ 192,378	\$ 194,925	\$ 197,488	\$ 200,068	\$ 202,668	\$ 205,285	\$ 207,918	\$ 210,568	\$ 213,235	\$ 215,918	\$ 218,618	\$ 221,335	\$ 224,068	\$ 226,818	\$ 229,585	\$ 232,368	\$ 235,168	\$ 237,985	\$ 240,818	\$ 243,668	\$ 246,538	\$ 249,428	\$ 252,338	\$ 255,268	\$ 258,218	\$ 261,188	\$ 264,168	\$ 267,168	\$ 270,188	\$ 273,228	\$ 276,288	\$ 279,368	\$ 282,468	\$ 285,588	\$ 288,728	\$ 291,888	\$ 295,068	\$ 298,268	\$ 301,488	\$ 304,728	\$ 307,988	\$ 311,258	\$ 314,548	\$ 317,858	\$ 321,188	\$ 324,538	\$ 327,908	\$ 331,298	\$ 334,708	\$ 338,138	\$ 341,588	\$ 345,058	\$ 348,548	\$ 352,058	\$ 355,588	\$ 359,138	\$ 362,708	\$ 366,298	\$ 369,908	\$ 373,538	\$ 377,188	\$ 380,858	\$ 384,548	\$ 388,258	\$ 391,988	\$ 395,738	\$ 399,508	\$ 403,298	\$ 407,108	\$ 410,938	\$ 414,788	\$ 418,658	\$ 422,548	\$ 426,458	\$ 430,388	\$ 434,338	\$ 438,308	\$ 442,298	\$ 446,308	\$ 450,338	\$ 454,388	\$ 458,458	\$ 462,548	\$ 466,658	\$ 470,788	\$ 474,938	\$ 479,108	\$ 483,298	\$ 487,508	\$ 491,738	\$ 495,988	\$ 500,258	\$ 504,548	\$ 508,858	\$ 513,188	\$ 517,538	\$ 521,908	\$ 526,298	\$ 530,708	\$ 535,138	\$ 539,588	\$ 544,058	\$ 548,548	\$ 553,058	\$ 557,588	\$ 562,138	\$ 566,708	\$ 571,298	\$ 575,908	\$ 580,538	\$ 585,188	\$ 589,858	\$ 594,548	\$ 599,258	\$ 603,988	\$ 608,738	\$ 613,508	\$ 618,298	\$ 623,108	\$ 627,938	\$ 632,788	\$ 637,658	\$ 642,548	\$ 647,458	\$ 652,388	\$ 657,338	\$ 662,308	\$ 667,298	\$ 672,308	\$ 677,338	\$ 682,388	\$ 687,458	\$ 692,548	\$ 697,658	\$ 702,788	\$ 707,938	\$ 713,108	\$ 718,298	\$ 723,508	\$ 728,738	\$ 733,988	\$ 739,258	\$ 744,548	\$ 749,858	\$ 755,188	\$ 760,538	\$ 765,908	\$ 771,298	\$ 776,708	\$ 782,138	\$ 787,588	\$ 793,058	\$ 798,548	\$ 804,058	\$ 809,588	\$ 815,138	\$ 820,708	\$ 826,298	\$ 831,908	\$ 837,538	\$ 843,188	\$ 848,858	\$ 854,548	\$ 860,258	\$ 865,988	\$ 871,738	\$ 877,508	\$ 883,298	\$ 889,108	\$ 894,938	\$ 900,788	\$ 906,658	\$ 912,548	\$ 918,458	\$ 924,388	\$ 930,338	\$ 936,308	\$ 942,298	\$ 948,308	\$ 954,338	\$ 960,388	\$ 966,458	\$ 972,548	\$ 978,658	\$ 984,788	\$ 990,938	\$ 997,108	\$ 1,003,298	\$ 1,009,508	\$ 1,015,738	\$ 1,021,988	\$ 1,028,258	\$ 1,034,548	\$ 1,040,858	\$ 1,047,188	\$ 1,053,538	\$ 1,059,908	\$ 1,066,298	\$ 1,072,708	\$ 1,079,138	\$ 1,085,588	\$ 1,092,058	\$ 1,098,548	\$ 1,105,058	\$ 1,111,588	\$ 1,118,138	\$ 1,124,708	\$ 1,131,298	\$ 1,137,908	\$ 1,144,538	\$ 1,151,188	\$ 1,157,858	\$ 1,164,548	\$ 1,171,258	\$ 1,177,988	\$ 1,184,738	\$ 1,191,508	\$ 1,198,298	\$ 1,205,108	\$ 1,211,938	\$ 1,218,788	\$ 1,225,658	\$ 1,232,548	\$ 1,239,458	\$ 1,246,388	\$ 1,253,338	\$ 1,260,308	\$ 1,267,298	\$ 1,274,308	\$ 1,281,338	\$ 1,288,388	\$ 1,295,458	\$ 1,302,548	\$ 1,309,658	\$ 1,316,788	\$ 1,323,938	\$ 1,331,108	\$ 1,338,298	\$ 1,345,508	\$ 1,352,738	\$ 1,359,988	\$ 1,367,258	\$ 1,374,548	\$ 1,381,858	\$ 1,389,188	\$ 1,396,538	\$ 1,403,908	\$ 1,411,298	\$ 1,418,708	\$ 1,426,138	\$ 1,433,588	\$ 1,441,058	\$ 1,448,548	\$ 1,456,058	\$ 1,463,588	\$ 1,471,138	\$ 1,478,708	\$ 1,486,298	\$ 1,493,908	\$ 1,501,538	\$ 1,509,188	\$ 1,516,858	\$ 1,524,548	\$ 1,532,258	\$ 1,539,988	\$ 1,547,738	\$ 1,555,508	\$ 1,563,298	\$ 1,571,108	\$ 1,578,938	\$ 1,586,788	\$ 1,594,658	\$ 1,602,548	\$ 1,610,458	\$ 1,618,388	\$ 1,626,338	\$ 1,634,308	\$ 1,642,298	\$ 1,650,308	\$ 1,658,338	\$ 1,666,388	\$ 1,674,458	\$ 1,682,548	\$ 1,690,658	\$ 1,698,788	\$ 1,706,938	\$ 1,715,108	\$ 1,723,298	\$ 1,731,508	\$ 1,739,738	\$ 1,747,988	\$ 1,756,258	\$ 1,764,548	\$ 1,772,858	\$ 1,781,188	\$ 1,789,538	\$ 1,797,908	\$ 1,806,298	\$ 1,814,708	\$ 1,823,138	\$ 1,831,588	\$ 1,840,058	\$ 1,848,548	\$ 1,857,058	\$ 1,865,588	\$ 1,874,138	\$ 1,882,708	\$ 1,891,298	\$ 1,899,908	\$ 1,908,538	\$ 1,917,188	\$ 1,925,858	\$ 1,934,548	\$ 1,943,258	\$ 1,951,988	\$ 1,960,738	\$ 1,969,508	\$ 1,978,298	\$ 1,987,108	\$ 1,995,938	\$ 2,004,788	\$ 2,013,658	\$ 2,022,548	\$ 2,031,458	\$ 2,040,388	\$ 2,049,338	\$ 2,058,308	\$ 2,067,298	\$ 2,076,308	\$ 2,085,338	\$ 2,094,388	\$ 2,103,458	\$ 2,112,548	\$ 2,121,658	\$ 2,130,788	\$ 2,139,938	\$ 2,149,108	\$ 2,158,298	\$ 2,167,508	\$ 2,176,738	\$ 2,185,988	\$ 2,195,258	\$ 2,204,548	\$ 2,213,858	\$ 2,223,188	\$ 2,232,538	\$ 2,241,908	\$ 2,251,298	\$ 2,260,708	\$ 2,270,138	\$ 2,279,588	\$ 2,289,058	\$ 2,298,548	\$ 2,308,058	\$ 2,317,588	\$ 2,327,138	\$ 2,336,708	\$ 2,346,298	\$ 2,355,908	\$ 2,365,538	\$ 2,375,188	\$ 2,384,858	\$ 2,394,548	\$ 2,404,258	\$ 2,413,988	\$ 2,423,738	\$ 2,433,508	\$ 2,443,298	\$ 2,453,108	\$ 2,462,938	\$ 2,472,788	\$ 2,482,658	\$ 2,492,548	\$ 2,502,458	\$ 2,512,388	\$ 2,522,338	\$ 2,532,308	\$ 2,542,298	\$ 2,552,308	\$ 2,562,338	\$ 2,572,388	\$ 2,582,458	\$ 2,592,548	\$ 2,602,658	\$ 2,612,788	\$ 2,622,938	\$ 2,633,108	\$ 2,643,298	\$ 2,653,508	\$ 2,663,738	\$ 2,673,988	\$ 2,684,258	\$ 2,694,548	\$ 2,704,858	\$ 2,715,188	\$ 2,725,538	\$ 2,735,908	\$ 2,746,298	\$ 2,756,708	\$ 2,767,138	\$ 2,777,588	\$ 2,788,058	\$ 2,798,548	\$ 2,809,058	\$ 2,819,588	\$ 2,830,138	\$ 2,840,708	\$ 2,851,298	\$ 2,861,908	\$ 2,872,538	\$ 2,883,188	\$ 2,893,858	\$ 2,904,548	\$ 2,915,258	\$ 2,925,988	\$ 2,936,738	\$ 2,947,508	\$ 2,958,298	\$ 2,969,108	\$ 2,979,938	\$ 2,990,788	\$ 3,001,658	\$ 3,012,548	\$ 3,023,458	\$ 3,034,388	\$ 3,045,338	\$ 3,056,308	\$ 3,067,298	\$ 3,078,308	\$ 3,089,338	\$ 3,100,388	\$ 3,111,458	\$ 3,122,548	\$ 3,133,658	\$ 3,144,788	\$ 3,155,938	\$ 3,167,108	\$ 3,178,298	\$ 3,189,508	\$ 3,200,738	\$ 3,211,988	\$ 3,223,258	\$ 3,234,548	\$ 3,245,858	\$ 3,257,188	\$ 3,268,538	\$ 3,279,908	\$ 3,291,298	\$ 3,302,708	\$ 3,314,138	\$ 3,325,588	\$ 3,337,058	\$ 3,348,548	\$ 3,359,908	\$ 3,371,298	\$ 3,382,708	\$ 3,394,138	\$ 3,405,588	\$ 3,417,058	\$ 3,428,548	\$ 3,440,058	\$ 3,451,588	\$ 3,463,138	\$ 3,474,708	\$ 3,486,298	\$ 3,497,908	\$ 3,509,538	\$ 3,521,188	\$ 3,532,858	\$ 3,544,548	\$ 3,556,258	\$ 3,567,988	\$ 3,579,738	\$ 3,591,508	\$ 3,603,298	\$ 3,615,108	\$ 3,626,938	\$ 3,638,788	\$ 3,650,658	\$ 3,662,548	\$ 3,674,458	\$ 3,686,388	\$ 3,698,338	\$ 3,710,308	\$ 3,722,298	\$ 3,734,308	\$ 3,746,338	\$ 3,758,388	\$ 3,770,458	\$ 3,782,548	\$ 3,794,658	\$ 3,806,788	\$ 3,818,938	\$ 3,831,108	\$ 3,843,298	\$ 3,855,508	\$ 3,867,738	\$ 3,879,988	\$ 3,892,258	\$ 3,904,548	\$ 3,916,858	\$ 3,929,188	\$ 3,941,538	\$ 3,953,908	\$ 3,966,298	\$ 3,978,708	\$ 3,991,138	\$ 4,003,588	\$ 4,016,058	\$ 4,028,548	\$ 4,041,058	\$ 4,053,588	\$ 4,066,138	\$ 4,078,708	\$ 4,091,298	\$ 4,103,908	\$ 4,116,538	\$ 4,129,188	\$ 4,141,858	\$ 4,154,548	\$ 4,167,258	\$ 4,179,988	\$ 4,192,738	\$ 4,205,508	\$ 4,218,298	\$ 4,231,108	\$ 4,243,938	\$ 4,256,788	\$ 4,269,658	\$ 4,282,548	\$ 4,295,458	\$ 4,308,388	\$ 4,321,338	\$ 4,334,308	\$ 4,347,298	\$ 4,360,308	\$ 4,373,338	\$ 4,386,388	\$ 4,399,458	\$ 4,412,548	\$ 4,425,658	\$ 4,438,788	\$ 4,451,938	\$ 4,465,108	\$ 4,478,298	\$ 4,491,508	\$ 4,504,738	\$ 4,517,988	\$ 4,531,258	\$ 4,544,548	\$ 4,557,858	\$ 4,571,188	\$ 4,584,538	\$ 4,597,908	\$ 4,611,298	\$ 4,624,708	\$ 4,638,138	\$ 4,651,588	\$ 4,665,058	\$ 4,678,548	\$ 4,692,058	\$ 4,705,588	\$ 4,719,138	\$ 4,732,708	\$ 4,746,298	\$ 4,759,908	\$ 4,773,538	\$ 4,787,188	\$ 4,800,858	\$ 4,814,548	\$ 4,828,258	\$ 4,841,988	\$ 4,855,738	\$ 4,869,508	\$ 4,883,298	\$ 4,897,108	\$ 4,910,938	\$ 4,924,788	\$ 4,938,658	\$ 4,952,548	\$ 4,966,458	\$ 4,980,388	\$ 4,994,338	\$ 5,008,308	\$ 5,022,298	\$ 5,036,308	\$ 5,050,338	\$ 5,064,388	\$ 5,078,458	\$ 5,092,548	\$ 5,106,658	\$ 5,120,788	\$ 5,134,938	\$ 5,149,108	\$ 5,163,298	\$ 5,177,508	\$ 5,191,738	\$ 5,205,988	\$ 5,220,258	\$ 5,234,548	\$ 5,248,858	\$ 5,263,188	\$ 5,277,538	\$ 5,291,908	\$ 5,306,298	\$ 5,320,708	\$ 5,335,138	\$ 5,349,588	\$ 5,364,058	\$ 5,378,538	\$ 5,393,038	\$ 5,407,548	\$ 5,422,058	\$ 5,436,588	\$ 5,451,138	\$ 5,465,708	\$ 5,480,298	\$ 5,494,908	\$ 5,509,538	\$ 5,524,188	\$ 5,538,858	\$ 5,553,548	\$ 5,568,258	\$ 5,582,988	\$ 5,597,738	\$ 5,612,508	\$ 5,627,298	\$ 5,642,108	\$ 5,656,938	\$ 5,671,788	\$ 5,686,658	\$ 5,701,548	\$ 5,716,458	\$ 5,731,388	\$ 5,746,338	\$ 5,761,308	\$ 5,776,298	\$ 5,791,308	\$ 5,806,338	\$ 5,821,388	\$ 5,836,458	\$ 5,851,548	\$ 5,866,658	\$ 5,881,788	\$ 5,896,938	\$ 5,912,108	\$ 5,927,298	\$ 5,942,508	\$ 5,957,738	\$ 5,972,988	\$ 5,988,258	\$ 6,003,548	\$ 6,018,858	\$ 6,034,188	\$ 6,049,538	\$ 6,064,908	\$ 6,080,298	\$ 6,095,708	\$ 6,111,138	\$ 6,126,588	\$ 6,142,058	\$ 6,157,548	\$ 6,173,058	\$ 6,188,588	\$ 6,204,138	\$ 6,219,708	\$ 6,235,298	\$ 6,250,908	\$ 6,266,538	\$ 6,282,188	\$ 6,297,858	\$ 6,313,548	\$ 6,329,258	\$ 6,344,988	\$ 6,360,738	\$ 6,376,508	\$ 6,392,298	\$ 6,408,108	\$ 6,423,938	\$ 6,439,788	\$ 6,455,658	\$ 6,471,548	\$ 6,487,458	\$ 6,503,388	\$ 6,519,338	\$ 6,535,308	\$ 6,551,298	\$ 6,567,308	\$ 6,583,338	\$ 6,599,388	\$ 6,615,458	\$ 6,631,548	\$ 6,647,658	\$ 6,663,788	\$ 6,679,938	\$ 6,696,108	\$ 6,712,298	\$ 6,728,508	\$ 6,744,738	\$ 6,760,988	\$ 6,777,258	\$ 6,793,548	\$ 6,809,858	\$ 6,826,188	\$ 6,842,538	\$ 6,858,908	\$ 6,875,298	\$ 6,891,708	\$ 6,908,138	\$ 6,924,588	\$ 6,941,058	\$ 6,957,548	\$ 6,974,058	\$ 6,990,588	\$ 7,007,138	\$ 7,023,708	\$ 7,040,298	\$ 7,056,908	\$ 7,073,538	\$ 7,090,188	\$ 7,106,858	\$ 7,123,548	\$ 7,140,258	\$ 7,156,988	\$ 7,173,738	\$ 7,190,508	\$ 7,207,298	\$ 7,224,108	\$ 7,240,938	\$ 7,257,788	\$ 7,274,658	\$ 7,291,548	\$
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	5/04	3/19	3/15	3/01	3/02	3/04	3/05	3/06	TOTAL
Total Local Incremental Revenue	\$ 229,323	\$ 335,020	\$ 342,628	\$ 346,491	\$ 365,481	\$ 303,611	\$ 270,800	\$ 378,300	\$ 5,255,723
Total Local Incremental Revenue (50% of 54)	\$ 114,661	\$ 167,510	\$ 171,314	\$ 173,245	\$ 182,740	\$ 151,805	\$ 135,400	\$ 189,150	\$ 2,627,861
School T18 Available for Reimbursement	\$ 288,167	\$ 293,590	\$ 229,805	\$ 306,005	\$ 311,921	\$ 318,159	\$ 324,522	\$ 378,300	\$ 4,930,526
Total Local Incremental Revenue	\$ 587,039	\$ 578,300	\$ 569,948	\$ 601,747	\$ 613,781	\$ 626,067	\$ 638,578	\$ 651,350	\$ 9,176,186
ARMA Administrative Fee (10%) (capped \$100,000)	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 1,000,000
ARMA Administrative Fee (10%) (capped \$100,000)	\$ 462,839	\$ 478,300	\$ 469,948	\$ 501,747	\$ 513,781	\$ 526,067	\$ 538,578	\$ 551,350	\$ 7,424,319
Total Local Incremental Revenue Available for Reimbursement	\$ 194,206	\$ 172,810	\$ 169,856	\$ 201,747	\$ 213,781	\$ 226,067	\$ 238,578	\$ 251,350	\$ 3,424,319
Federal Revenue & Local T18 Available	\$ 1,397,408	\$ 407,680	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,397,408
Revolving Developer Reimbursement Balance	\$ 471,344	\$ 415,292	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 471,344
ARMA Non-Developmental Costs	\$ 471,344	\$ 415,292	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 471,344
ARMA Non-Developmental Costs (50% of 54)	\$ 235,672	\$ 207,646	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 235,672
Local Tax Reimbursement	\$ 484,032	\$ 320,207	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 804,239
Local Tax Reimbursement (50% of 54)	\$ 242,016	\$ 160,103	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 402,119
Total MSF Reimbursement Balance	\$ 413,336	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 413,336
ARMA Management Specific Developmental Costs	\$ 83,682	\$ 51,891	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 135,573
ARMA Management Specific Developmental Costs (50% of 54)	\$ 41,841	\$ 25,945	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,786
School Tax Reimbursement	\$ 22,818	\$ 14,575	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,393
School Tax Reimbursement (50% of 54)	\$ 11,409	\$ 7,287	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,696
Local Tax Reimbursement	\$ 65,819	\$ 37,716	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 103,085
Local Tax Reimbursement (50% of 54)	\$ 32,909	\$ 18,858	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,542
Total Local Tax Reimbursement Available for Reimbursement	\$ 31,911	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,911
Total Local Tax Reimbursement Available for Reimbursement (50% of 54)	\$ 15,955	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,955
New Developer Reimbursement Balance	\$ 467,820	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 467,820
ARMA Management Specific Developmental Costs	\$ 467,820	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 467,820
ARMA Management Specific Developmental Costs (50% of 54)	\$ 233,910	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 233,910
School Tax Reimbursement	\$ 61,131	\$ 23,391	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,522
School Tax Reimbursement (50% of 54)	\$ 30,565	\$ 11,695	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,260
Local Tax Reimbursement	\$ 304,490	\$ 789,756	\$ 807,551	\$ 20,589	\$ -	\$ -	\$ -	\$ -	\$ 1,922,387
Local Tax Reimbursement (50% of 54)	\$ 152,245	\$ 394,878	\$ 403,775	\$ 10,294	\$ -	\$ -	\$ -	\$ -	\$ 961,190
Local Tax Reimbursement Available for Reimbursement	\$ 1,924,996	\$ 1,617,897	\$ 828,141	\$ 20,589	\$ -	\$ -	\$ -	\$ -	\$ 4,391,623
Local Tax Reimbursement Available for Reimbursement (50% of 54)	\$ 962,498	\$ 808,948	\$ 414,070	\$ 10,294	\$ -	\$ -	\$ -	\$ -	\$ 2,195,811
Total EGLE Reimbursement Balance	\$ 51,891	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,891
Total EGLE Reimbursement Balance (50% of 54)	\$ 25,945	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,945
Local Tax Reimbursement	\$ 471,344	\$ 415,292	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 471,344
Local Tax Reimbursement (50% of 54)	\$ 235,672	\$ 207,646	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 235,672
Total Local Tax Reimbursement Available for Reimbursement	\$ 471,344	\$ 415,292	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 471,344
Total Local Tax Reimbursement Available for Reimbursement (50% of 54)	\$ 235,672	\$ 207,646	\$ -						

ATTACHMENT G

BSE&E Acknowledgement and Other Environmental Documents



CITY OF DETROIT
BUILDINGS, SAFETY ENGINEERING AND ENVIRONMENTAL DEPARTMENT

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVE., FOURTH FLOOR
DETROIT, MICHIGAN 48226
(313) 224-0484 • TTY: 711
WWW.DETROITMI.GOV

August 12, 2019

Jennifer Kanalos
Detroit Brownfield Redevelopment Authority (DBRA)
500 Griswold, Suite 2200
Detroit, Michigan 48226

RE: DBRA Document Review and Invoice Notice

Attached please find Exhibit B, approving the environmental documents submitted to the Buildings, Safety Engineering, and Environmental Department for review on the Stone Soap Project located at 1450-1490 Franklin Street for Banyan Investments LLC.

The review of a Phase I Environmental Site Assessment (ESA) and Baseline Environmental Assessment was completed on July 12, 2019 and Invoice #5691927 in the amount of \$1,000.00 for these services was submitted to your office for payment. Please remit a check payable to the Treasurer, City of Detroit by the due date to complete this activity.

If you have any questions, please contact my office at (313) 471-5115.

Sincerely,

Paul T. Max
General Manager

PTM

Enclosure

cc: Brian Vosburg

Attachment B

TO: THE DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY

FROM: DETROIT, BUILDINGS, SAFETY ENGINEERING, AND
ENVIRONMENTAL DEPARTMENT

PROJECT: Stone Soap Project, Banyan Investments LLC

DATE: August 12, 2019

The undersigned, from the City of Detroit, Buildings, Safety Engineering, and Environmental Department acknowledges the receipt of the environmental documents listed below, which have been submitted by PM Environmental on behalf of Banyan Investments, LLC, as developer, as part of its Brownfield Plan submittal to the Detroit Brownfield Redevelopment Authority (DBRA), for the Stone Soap Project.

- 1 Phase I Environmental Site Assessment, pursuant to USEPA's. All Appropriate Inquiry using American Society of Testing Materials (ASTM) Standard E 1527-13
- Phase II Environmental Site Assessment, pursuant to ASTM Standard 1903 (if appropriate)
- 1 Baseline Environmental Assessment, pursuant to Part 201 of Michigan's Natural Resources and Environmental Protection Act, MCL 324.20101 *et seq.* (if appropriate).
- Due Care Plan, pursuant to Part 201 of Michigan's Natural Resources and Environmental Protection Act, MCL 324.20101 *et seq.* (if appropriate).

Based upon its review of the above environmental documents and the representations of the developer, the City of Detroit, Buildings, Safety Engineering, and Environmental Department agrees with the environmental consultant that the site is a facility and has determined that the documents received for this project satisfy the DBRA Guidelines.

City of Detroit, Buildings, Safety
Engineering, and Environmental
Department

By: Paul J. max

Its: General Manager

ATTACHMENT H

Eligibility Documentation

Ginny Dougherty

From: Elizabeth Masserang
Sent: Friday, August 23, 2019 2:59 PM
To: Ginny Dougherty
Subject: Fwd: Stone Soap Project - Detroit Brownfield

For the attachment on eligibility on Stone Soap

Elizabeth Masserang
PM Environmental, Inc.
248-414-1441

Begin forwarded message:

From: "Owens, Paul (EGLE)" <OWENSP@michigan.gov>
Date: August 23, 2019 at 2:02:36 PM EDT
To: Elizabeth Masserang <masserang@pmenv.com>
Cc: "Bakun, Michelle (EGLE)" <BAKUNM@michigan.gov>
Subject: RE: Stone Soap Project - Detroit Brownfield

Hi Elizabeth,

All three parcels (1450, 1460 and 1490 Franklin) are considered to be facilities as defined by Part 201 of Act 451.

Paul Owens

Warren District Supervisor
Remediation and Redevelopment Division (RRD)
Michigan Department of Environment, Great Lakes, and Energy
586-235-6990 owensp@michigan.gov
[Follow Us](#) | Michigan.gov/EGLE

From: Elizabeth Masserang <masserang@pmenv.com>
Sent: Thursday, August 22, 2019 11:59 AM
To: Owens, Paul (EGLE) <OWENSP@michigan.gov>
Cc: Bakun, Michelle (EGLE) <BAKUNM@michigan.gov>
Subject: FW: Stone Soap Project - Detroit Brownfield

Hi Paul,

In Michelle's absence would you be able to assist in confirming the attached parcels meet the definition of a facility based on the reports completed? Figures are also attached for ease of reference.

Please let me know if you'd need anything further.

Thank you,

Elizabeth Masserang | *Regional Manager – Economic Incentives*

PM ENVIRONMENTAL, INC.

4080 West Eleven Mile Road | Berkley, MI 48072 | www.pmenv.com

p: 248-414-1441 | f: 877-884-6775 | Masserang@pmenv.com

Environmental & Engineering Services Nationwide

From: Elizabeth Masserang

Sent: Thursday, August 22, 2019 11:49 AM

To: bakunm@michigan.gov

Subject: RE: Stone Soap Project - Detroit Brownfield

Hi Michelle,

We spoke on this project a month or so ago. I'm finalizing the Brownfield Plan. Can you please confirm the status of the attached parcels as meeting the definition of a "facility" for eligibility purposes?

I've attached links to the reports here documenting the contamination found:

- [Phase I ESA](#)
- [Phase II and BEA](#)

We're looking to send this in to DEGC tomorrow, so your assistance is appreciated!

Thank you,

Elizabeth Masserang | *Regional Manager – Economic Incentives*

PM ENVIRONMENTAL, INC.

4080 West Eleven Mile Road | Berkley, MI 48072 | www.pmenv.com

p: 248-414-1441 | f: 877-884-6775 | Masserang@pmenv.com

Environmental & Engineering Services Nationwide



Corporate Headquarters
Lansing, Michigan
3340 Ranger Road, Lansing, MI 48906
f: 877.884.6775
t: 517.321.3331

Michigan Locations
Berkley **Bay City**
Grand Rapids **Chesterfield**
Lansing

February 7, 2019

District Clerk
Michigan Department of Environmental Quality
Southeastern Michigan District Office
27700 Donald Court
Warren, Michigan 48092

**Re: Baseline Environmental Assessment for the Industrial Warehouse Property
Located at 1450-1490 Franklin Street, Detroit, Michigan
Parcel IDS: 07000027, 07000026, and 07000025
PM Environmental, Inc. Project No. 01-10433-0-0002**

Dear District Clerk:

Enclosed is a copy of the Baseline Environmental Assessment prepared for the above referenced subject property in accordance with Section 20126(1)(c) of Part 201, Environmental Remediation, and Section 21323a(1)(b)(i) of Part 213, Leaking Underground Storage Tanks, of the Natural Resources and Environmental Protection Act (NREPA), P.A. 451 of 1994, as amended.

If you have any questions regarding the information in this report, please contact our office at (800) 313-2966.

Sincerely,
PM ENVIRONMENTAL, INC.

Tonia Hack
Staff Geologist

Jennifer Ritchie, CPG
Regional Manager – Site Investigation Services

Enclosure



Corporate Headquarters
Lansing, Michigan
3340 Ranger Road, Lansing, MI 48906
f: 877.884.6775
t: 517.321.3331

Michigan Locations
Berkley **Bay City**
Grand Rapids **Chesterfield**
Lansing

February 7, 2019

Mr. Aamir Farooqi
Banyan Investments, LLC
PO Box 15096
Detroit, Michigan 48215

**RE: Baseline Environmental Assessment for the Industrial Warehouse Property
Located at 1450-1490 Franklin Street, Detroit, Michigan
Parcel IDs: 07000027, 07000026, and 07000025
PM Environmental, Inc. Project No. 01-10433-0-0002**

Dear Mr. Farooqi:

Enclosed is a copy of the Baseline Environmental Assessment prepared for the above referenced subject property in accordance with Section 20126(1)(c) of Part 201, Environmental Remediation, and Section 21323a(1)(b)(i) of Part 213, Leaking Underground Storage Tanks, of the Natural Resources and Environmental Protection Act (NREPA), P.A. 451 of 1994, as amended.

THIS BASELINE ENVIRONMENTAL ASSESSMENT WAS PERFORMED FOR THE EXCLUSIVE USE OF BANYAN INVESTMENTS, LLC, WHO MAY RELY ON THE REPORT'S CONTENTS.

If you have any questions regarding the information in this report, please contact our office at (800) 313-2966.

Sincerely,
PM ENVIRONMENTAL, INC.

Tonia Hack
Staff Geologist

Jennifer Ritchie, CPG
Regional Manager – Site Investigation Services

Enclosure

TABLE OF CONTENTS

1.0	INTRODUCTION AND DISCUSSION	1
1.1	Owner/Operator Information	2
1.2	Intended Use of the Subject Property	2
1.3	Summary of All Appropriate Inquiry Phase I Environmental Assessment.....	2
1.3.1	Phase I ESA Exceptions or Deletions	3
1.3.2	Phase I ESA Data Gaps.....	3
1.4	Summary of Previous Site Investigations.....	3
1.5	Summary of Current Site Investigation	8
1.5.1	Subsurface Investigations Techniques and QA/QC Procedures.....	10
1.6	Geology and Hydrogeology	11
2.0	Location of Contaminated Media on the Subject Property.....	11
2.1.1	Soil Analytical Results.....	12
2.1.2	Soil Gas Analytical Results	12
2.2	Subject Property Facility/Site/Property Status.....	13
3.0	PROPERTY INFORMATION	13
3.1	Legal Description of Subject Property.....	13
3.2	Map of Subject Property	13
3.3	Location and Analytical Summary Maps	13
3.4	Subject Property Location Map.....	13
3.5	Subject Property Address	13
3.6	Subject Spatial Data	13
4.0	FACILITY/SITE/PROPERTY STATUS OF SUBJECT PROPERTY	14
4.1	Summary Data Tables	14
4.2	Laboratory Reports and Chain of Custody Documentation	14
5.0	IDENTIFICATION OF BEA AUTHOR.....	14
6.0	AAI REPORT OR ASTM PHASE I ESA	15
7.0	REFERENCES	16

FIGURES

- Figure 1: Property Vicinity Map
Figure 2: Generalized Diagram of the Subject Property and Adjoining Properties
Figure 3A: 2009/2010 Soil Boring Location Map with Soil Analytical Results
Figure 3B: 2019 Soil Boring/Soil Gas Sample Location Map with Soil Analytical Results
Figure 4: Soil Boring/Soil Gas Sample Location Map with Soil Gas Analytical Results

TABLES

- Table 1: Summary of Soil Analytical Results – Volatile Organic Compounds, Polynuclear Aromatic Hydrocarbons, Polychlorinated Biphenyls, and Metals
Table 2: Summary of Soil Gas Analytical Results – Volatile Organic Compounds

APPENDICES

- Appendix A: Phase I ESA, January 25, 2019, PM
Appendix B: Analytical Figures and Tables from 2010 and 2013 Previous Site Investigations
Appendix C: Soil Boring Logs, January 2019, PM
Appendix D: Laboratory Analytical Reports, August 2013, ECT and January 2019, PM
Appendix E: Assessing Information
Appendix F: Professional Qualification Statements

1.0 INTRODUCTION AND DISCUSSION

PM Environmental, Inc. (PM) has completed a Baseline Environmental Assessment (BEA) for the Industrial Warehouse Property (Parcel IDs #07000027, #07000026, and #07000025) located at 1450-1490 Franklin Street in Detroit, Wayne County, Michigan (hereafter referred to as the "subject property") in accordance with Section 20126(1)(c) of Part 201, Environmental Remediation, and Section 21323a(1)(b)(i) of Part 213, Leaking Underground Storage Tanks, of the Natural Resources and Environmental Protection Act (NREPA), P.A. 451 of 1994, as amended.

The subject property consists of three parcels of land totaling 0.66 acres and is located on the southwest corner of the Franklin Street and Riopelle Street intersection in Detroit, Wayne County, Michigan (Figure 1). The subject property is developed with three connected buildings between three and four-stories with a partial basement containing a total of 64,145 square feet that is currently unoccupied with no current business operations. The western portion of the subject building (1450 Franklin Street) contains four stories and a full basement totaling 26,737 square feet. The fourth floor was inaccessible due to unsafe conditions (floor/roof collapse). The central portion of the subject building (1460 Franklin Street) contains two stories and a partial crawl space totaling 12,724 square feet. No access point to the crawl space was observed; therefore, PM could not access that portion of the subject building. The eastern portion of the subject building (1490 Franklin Street) contains three stories totaling 24,684 square feet and is slab on grade. Portions of the building slab appear to have been removed, resulting in exposed soil.

In general, interior finish materials include wood floors, painted and unpainted brick walls, poured concrete floors, walls, and ceilings, concrete block walls, plaster walls and ceilings, wood deck ceilings, and one-foot by one-foot glue-on ceiling tiles. The observed materials were in generally poor condition. The concrete floors were in fair condition, with residual staining, but no significant cracking, pitting, or damage observed.

Asphalt and concrete pavement are present throughout the remainder of the subject property.

Standard and other historical sources document that the subject property was developed prior to 1884 with ten dwellings and several detached garages. All former dwellings, except two located in the central portion, were demolished between 1884 and 1897, when a northwestern building, northeastern building, additional dwelling, and western portion of the current building were constructed. The remaining dwellings and former northeastern building were demolished between 1897 and 1922, when an additional western building was constructed as an addition to the previously identified northeastern building and another building was constructed in the eastern portion of the property. The concrete pad in the southwestern portion was constructed in 1922. The eastern building and a portion of the northern addition to the western building were demolished between 1922 and 1927, when an addition was constructed to the eastern portion of the current building to join the three buildings into one. A third story was constructed to the eastern portion in 1929. The northwestern building was demolished between 1950 and 1952. Historical occupants consisted of residential tenants prior to 1884 until 1922; storefront operations in at least 1897; blacksmith operations in 1897; Detroit Screw Works and exterior steel storage in 1922; various chemical and dye storage, warehouse, mixing, and production operations; and Stone Soap Co. consisting of liquid and powder soap manufacturing operations from approximately 1972 to 1997.

The subject property is an open Leaking Underground Storage Tank (LUST) site with one gasoline release (C-0016-10) reported in January 2010 based on the in-place closure of one 1,000-gallon and one 2,500-gallon gasoline USTs in the southeastern portion of the subject building. The responsible part is identified as Former Stone Soap Co., and LUST closure activities have not been conducted.

1.1 Owner/Operator Information

Banyan Investments, LLC purchased the subject property on January 2, 2019.

1.2 Intended Use of the Subject Property

Banyan Investments, LLC intends to redevelop the subject property for mixed residential and general commercial use.

The subject property is currently zoned SD-4 Special Development District/Riverfront Mixed Use. The intended use and zoning are consistent with a mixed Residential/Nonresidential property use.

Municipal water, sanitary sewer, storm sewer, natural gas, electrical, and telecommunications utilities and connected to or are available to the subject property. No water wells are present on the property.

1.3 Summary of All Appropriate Inquiry Phase I Environmental Site Assessment

PM performed a Phase I Environmental Site Assessment (ESA) for the subject property dated January 25, 2019, in conformance with the scope and limitations of ASTM Practice E 1527-13 (i.e., the 'ASTM Standard'). A copy of the Phase I ESA, including photographs of the subject property, is included in Appendix A.

PM's January 2019 Phase I ESA identified the following onsite recognized environmental conditions (RECs):

- The subject property is an open LUST site with one release (C-0016-10) reported in 2010. Additionally, historical operations at the subject property consisting of chemical mixing and soap factory operations with known bulk chemical storage. Previous site assessment activities completed between 1997 and 2013 to assess the release and historical operations document that soil and groundwater contamination exist on-site above the current Michigan Department of Environmental Quality (MDEQ) Part 201 generic cleanup criteria and Part 213 Risk Based Screening Levels (RBSLs). Based on these analytical results and its open LUST status, the subject property meets the definition of a "site" and would also be classified as a "facility", in accordance with Part 201 and Part 213. Additionally, based on the concentrations of contaminants identified, the potential for vapor intrusion exists at the subject property.
- PM recommends the further assessment of the previously reported release (C-0127-07), located south of the subject property, identified during 2013 previous site assessments. Although the previously identified suspect underground storage tanks (USTs) and known release were not located within the subject property boundaries; the suspect USTs were

likely installed associated with historical operations on the subject property. The potential exists for contamination from the known release to also exist on the subject property.

- PM observed four sumps throughout the subject building. The westernmost basement sump was adequately assessed during previous site investigations; however, the remaining three were not assessed during the previous site assessment since they were not observed (likely due to interior limitations such as storage). The structural integrity of the three sumps is unknown, and based on the age of the subject building (at least 90 and up to 135 years), the potential exists for failure of the systems (i.e., cracks, leaks) to have occurred over time. The historical waste management practices associated with the sumps and former high risk operations (discussed above) are unknown and may be a source of subsurface contamination.

No adjoining and/or nearby RECs were identified.

1.3.1 Phase I ESA Exceptions or Deletions

During the completion of the January 2019 Phase I ESA, there were no exceptions or deletions from the Federal All Appropriate Inquiry Rule under 40 CFR 312, or the ASTM Standard. To the best of PM's knowledge, no special terms or conditions applied to the preparation of the Phase I ESA.

1.3.2 Phase I ESA Data Gaps

PM did not identify any significant data gaps during the completion of the January 2019 Phase I ESA.

1.4 Summary of Previous Site Investigations

PM reviewed the following previous environmental reports for the subject property. Due to the size and volume, only relevant portions of the 2013 site investigations are included in Appendix C of PM's January 2019 Phase I ESA (Appendix A). The BEAs listed below are available on file with the MDEQ. In addition, relevant figures and tables from 2013 site investigations are included Appendix B.

Name of Report	Date of Report	Company that Prepared Report
Phase I ESA	2-12-1997	ASTI
Phase II ESA	2-26-1997	Atwell-Hicks, Inc. (AH)
Phase I ESA	8-23-2006	ESA1
Phase II ESA	11-14-2006	ESA1
BEA	3-23-2007	ESA1
BEA	9-8-2008	EI
Phase I ESA	11-16-2009	PM
Phase II ESA/BEA	2-12-2010	PM
Phase I ESA	3-5-2013	Environmental Testing & Consulting, Inc. (ETC)
Ground Penetrating Radar (GPR) and Electromagnetic Induction Survey	7-2013	ETC

Baseline Environmental Assessment of the Industrial Warehouse Property
Located at 1450-1490 Franklin Street, Detroit, Michigan
Parcel IDs: 07000027, 07000026, and 07000025
PM Environmental, Inc. Project No. 01-10433-0-0002; February 7, 2019

Name of Report	Date of Report	Company that Prepared Report
Phase II ESA (Interior Areas)	10-2013	Hands & Associates, Inc. (HANDS) and ETC
Phase II ESA (Exterior Areas)	10-2013	HANDS and ETC

Phase I ESA and Phase II ESA (ASTI and Atwell, 1997)

At the time of the 1997 site investigations, the subject property was occupied by Stone Soap Co. (liquid and powder soap manufacturing company). The 1997 Phase I ESA identified RECs associated with the following:

- Suspect asbestos containing materials (ACMs);
- Current and potential orphan USTs;
- Onsite aboveground storage tank (AST); and
- Current and former high risk operations.

Suspect ACMs are not considered RECs, but non-ASTM considerations, and therefore are not discussed further in site investigation summaries discussed in this report.

AH conducted a subsurface investigation to assess the above RECs, as well as a suspect gasoline UST and two onsite drains. Site investigation activities consisted of the advancement of nine soil borings (SB-1 through SB-6, B1, B2, and F1), the installation of two temporary groundwater monitoring wells (TW1 and TW2), and the collection of soil and groundwater samples for laboratory analysis of volatile organic compounds (VOCs), polynuclear aromatic hydrocarbons (PNAs), and Michigan 10 Metals (arsenic, barium, cadmium, chromium, copper, lead, mercury, selenium, silver, zinc). No geophysical survey was conducted to verify the presence of orphan USTs.

Soil analytical results identified concentrations of cis-1,2-dichloroethylene (DCE), tetrachloroethylene (PCE), and/or trichloroethylene (TCE) in the soil sample collected from SB-6 (8.0 feet below ground surface [bgs]) above the Part 201 Residential and Nonresidential Drinking Water Protection (DWP) cleanup criteria. Concentrations of fluoranthene, naphthalene, and phenanthrene were identified in the soil sample collected from F1 (3.0 feet bgs) above the Part 201 Groundwater Surface Water Interface Protection (GSIP) cleanup criteria. Concentrations of arsenic were identified in the soil samples collected from SB-3 (7.0 feet bgs), SB-4 (7.0 feet bgs), B1 (4.0 feet bgs), and B2 (4.0 feet bgs) above the Part 201 Residential and Nonresidential DWP, GSIP, and/or Residential Direct Contact (DC) cleanup criteria, but below the Nonresidential DC cleanup criteria. Concentrations of total chromium were identified in the soil samples collected from SB-6 (8.0 feet bgs) and B2 (4.0 feet bgs) above the Part 201 GSIP cleanup criteria. Concentrations of selenium were identified in each of the soil samples collected from the subject property above the Part 201 GSIP cleanup criteria. No other concentrations of target analytes were identified in the soil samples collected from the subject property above laboratory method detection limits (MDLs), Statewide Default Background Levels (SDBLs, applicable to metals only), and/or the most restrictive Part 201 Residential cleanup criteria.

The cis-1,2-DCE, PCE, and TCE concentrations identified in soil may be indicative of a vapor intrusion condition.

Concentrations of fluorene, naphthalene, phenanthrene, and 2-methylnaphthalene were identified in the groundwater sample collected from TW2 above the Part 201 Groundwater Surface Water Interface (GSI) cleanup criteria. Concentrations of arsenic, cadmium, total chromium, copper, lead, and zinc were identified in the groundwater sample collected from TW2 above the Part 201 Residential and Nonresidential Drinking Water (DW) and/or GSI cleanup criteria. No other concentrations of target analytes were identified in the groundwater samples collected from the subject property above laboratory MDLs and/or the most restrictive Part 201 Residential cleanup criteria.

Based on the limited, perched, discontinuous nature of groundwater encountered, lack of potable water wells at the subject property, and lack of surface water bodies at the subject property, AH concluded that the groundwater ingestion and drinking water pathways were not complete. Based upon this information, AH determined the subject property did not meet the definition of a "facility" as defined by Part 201.

Phase I ESA, Phase II ESA, and BEAs (ESA1 and EI, 2006-2008)

At the time of the site investigations conducted between 2006 and 2008, the subject property was occupied by the current building, which was vacant. The 2006 Phase I ESA identified the following RECs:

- Former and historical long term high risk operations;
- Current and potential orphan USTs; and
- General hazardous material storage and an onsite AST.

Subsequent site investigation activities included the completion of a geophysical survey using GPR, advancement of six soil borings (SB1 through SB6), installation of two temporary groundwater monitoring wells (GW-1 and GW-2), and collection of soil and groundwater samples for laboratory analysis of gasoline VOCs, PNAs, cadmium, chromium, and lead. All of the soil borings were advanced south of the subject building. Review of reasonably ascertainable information indicated that site investigation activities were conducted on a south adjoining easement parcel and not the subject property parcel. Additionally, a 2009 survey documented that the subject property consists of the subject building footprint and small area between the subject building and west adjoining building (Figure 2).

Three anomalies consistent with orphan USTs were identified south of the subject building.

Soil analytical results identified concentrations of various gasoline range VOCs in the soil sample collected from SB4 (9.0-10.0 feet bgs) above the Part 201/213 Residential and Nonresidential DWP cleanup criteria/RBSLs. No other concentrations of target analytes were identified in the soil samples collected from the subject property above laboratory MDLs, SDBLs (applicable to metals only), and/or the most restrictive Part 201/213 Residential cleanup criteria/RBSLs.

Concentrations of benzene and 2-methylnaphthalene were identified in the groundwater sample collected from GW-2 above the Part 201/213 Residential and Nonresidential DW and/or GSI cleanup criteria/RBSLs. Concentrations of various PNAs were identified in the groundwater sample collected from GW-2 above the Part 201/213 Residential and Nonresidential DW and/or GSI cleanup criteria/RBSLs and Water Solubility screening levels. Concentrations of cadmium, chromium, and lead were identified in each of the groundwater samples collected from the subject

property above the Part 201/213 Residential and Nonresidential DW and GSI cleanup criteria/RBSLs. No other concentrations of target analytes were identified in the groundwater samples collected from the subject property above laboratory MDLs and/or most restrictive Part 201/213 Residential cleanup criteria/RBSLs.

Based on these analytical results, BEAs were submitted on behalf of various previous owners in 2007 (BEA ID: 3530) and 2008 (BEA ID: 4069). Additionally, based on these analytical results, the MDEQ assigned the subject property a facility ID (50005619) and reported a release (C-0127-07); however, this release and facility status are not identified in the regulatory database reviewed as part of the January 2019 Phase I ESA, and are not listed on the MDEQ LUST database. Based upon this information, the assessments conducted south of the subject property should not be considered associated with the subject property.

Phase I ESA and BEA (PM, 2009-2010)

At the time of the 2009 Phase I ESA, the subject property was occupied by the current building, which was vacant. PM identified multiple RECs associated with the following:

- Unknown historical heat source;
- Historical and former high risk onsite operations associated with Eaton Chemical, Detroit Screw Works, and Stone Soap Co., including the storage, use, and/or mixing of various oils, acids, chemicals, and dyes;
- Multiple potential orphan USTs;
- Onsite AST;
- Onsite floor drains and sumps with unknown historical waste management practices;
- Suspect former pits;
- Elevator shafts and associated leaking;
- Long term high risk operation at the northwest adjoining property (1424-1461 Franklin Street);
- Open LUST status and documented contamination at the southeast adjoining property (no current address), with contamination not delineated towards the subject property; and
- Former long term high risk operations at the west adjoining property (1440 Franklin Street).

Subsequent site investigation activities completed in December 2009 and January 2010 included the completion of a geophysical survey using GPR, advancement of 16 soil borings (SB-1 through SB-16), and collection of 16 soil samples for laboratory analysis of VOCs, PNAs, polychlorinated biphenyls (PCBs), and Michigan 10 Metals, or some combination thereof. Groundwater was not encountered to a depth of 20.0 feet bgs (maximum depth explored). The 2009/2010 soil boring locations and analytical results are depicted on Figure 3A. PM's January 2010 laboratory analytical reports are available on file with the MDEQ.

PM encountered debris piles, miscellaneous storage, elevator shafts, and a crawl space as limitations during the GPR survey in December 2009. Two anomalies consistent with orphan USTs were identified in the southeastern portion of the subject building. No other anomalies consistent with orphan USTs were identified. In January 2010, PM oversaw site investigation activities that consisted of the exposure of the top of the anomalies discussed above, which confirmed the presence of two orphan USTs. Due to their location, it was determined that the USTs, consisting of one 1,000-gallon and one 2,500-gallon gasoline USTs, would have to be

closed in place (Figure 2). The USTs were opened and approximately 1,250 gallons of gasoline and/or water were removed from the USTs, which was transported offsite by a licensed waste hauler. The USTs were then cleaned and filled with concrete.

The onsite AST was determined to be empty.

Soil analytical results identified concentrations of various petroleum and/or chlorinated VOCs in the soil samples collected from SB-1 (3.0-4.0 feet bgs), SB-2 (1.0-2.0 feet bgs), SB-4 (1.0-2.0 feet bgs), SB-5 (2.0-3.0 feet bgs), SB-6 (7.0-8.0 feet bgs), SB-7 (4.0-5.0 feet bgs), SB-9 (2.0-3.0 feet bgs), SB-11 (3.5-4.5 feet bgs), SB-13 (3.0-4.0 feet bgs), SB-15 (7.0-8.0 feet bgs), and/or SB-16 (8.0-9.0 feet bgs) above the Part 201/213 Residential and Nonresidential DWP, GSIP, and Soil Volatilization to Indoor Air Inhalation (SVII) cleanup criteria/RBSLs. Concentrations of phenanthrene, naphthalene, and 2-methylnaphthalene were identified in the soil samples collected from SB-6 (7.0-8.0 feet bgs), SB-9 (2.0-3.0 feet bgs), SB-15 (7.0-8.0 feet bgs), and/or SB-16 (8.0-9.0 feet bgs) above the Part 201/213 GSIP cleanup criteria/RBSLs. Concentrations of mercury, selenium, and/or zinc were identified in the soil samples collected from SB-1 (3.0-4.0 feet bgs), SB-2 (1.0-2.0 feet bgs), and/or SB-4 (1.0-2.0 feet bgs) above the Part 201 Residential and Nonresidential DWP and GSIP cleanup criteria. No other concentrations of target analytes were identified in the soil samples collected from the subject property above laboratory MDLs, SDBLs (metals) and/or the most restrictive Part 201/213 Residential cleanup criteria/RBSLs.

Based on these analytical results, a release was reported to the MDEQ on January 25, 2010 (C-0016-10). Additionally, a BEA was submitted on behalf of the former owner (BEA ID: 4415). Closure is not currently being pursued.

Phase I ESA, GPR, and Phase II ESA (ETC, 2013)

At the time of the 2013 Phase I ESA, the subject property was occupied by the current building, which was vacant at that time. The 2013 Phase I ESA RECs associated with the following:

- Potential orphan USTs;
- Open LUST status;
- Historical long term high risk operations; and
- Documented facility status.

Subsequent site investigations included the completion of a geophysical survey using electromagnetic induction (EM), advancement of nine soil borings (GP-1 through GP-5 and HA-1 through HA-4), installation of two temporary monitoring wells (GP-1 and GP-2), and collection of nine soil samples and two groundwater samples for laboratory analysis of VOCs, semi-volatile organic compounds (SVOCs), and Michigan 10 Metals, or some combination thereof.

Four anomalies potentially indicative of orphan USTs were identified south of the subject building. However, additional investigation was recommended to verify the source of the anomalies, which were potentially identified as buried rail road tracks or utility lines/vaults.

Soil analytical results identified concentrations of various petroleum and chlorinated VOCs in the soil samples collected from GP-1 (5.0 feet bgs), GP-2 (3.0 feet bgs), HA-1 (3.0 feet bgs), HA-2 (3.0 feet bgs), HA-3 (3.0 feet bgs), and HA-4 (3.0 feet bgs) above the Part 201/213 Residential and Nonresidential DWP and/or GSIP cleanup criteria/RBSLs. Concentrations of various PNAs

were identified in the soil samples collected from HA-2 (3.0 feet bgs), HA-3 (3.0 feet bgs), and/or HA-4 (3.0 feet bgs) above the Part 201/213 GSIP and Residential and Nonresidential DC cleanup criteria/RBSLs. Concentrations of various metals were identified in all of the soil samples collected from the subject property above the Part 201/213 Residential and Nonresidential DWP, GSIP, and/or DC cleanup criteria/RBSLs.

Groundwater analytical results identified concentrations of various metals in both of the groundwater samples collected from the subject property above the Part 201/213 Residential and Nonresidential DW and GSI cleanup criteria/RBSLs.

The soil and groundwater sample locations and analytical results are depicted on ETC's Figure 2 – Phase II Boring Locations and listed in ETC's Soil Sample Results table included in Appendix B.

Based on these analytical results, ETC recommended additional investigation of the anomalies identified south of the subject building, and completion of a BEA and Due Care Plan.

1.5 Summary of Current Site Investigation

On January 14, and 15, 2019, PM completed a subsurface investigation at the subject property that consisted of the advancement of seven soil borings (SB-17 through SB-23) to a maximum depth of 10.0 feet bgs, the installation of seven temporary sub-slab soil gas sampling points (SG-1 through SG-7), and the collection of 14 soil samples and seven soil gas samples for laboratory analysis of VOCs, PNAs, PCBs, cadmium, chromium, lead and mercury, or some combination thereof. It should be noted that the crawl space in the central portion of the subject building was inaccessible and, therefore, PM could not investigate the sump in that area.

Groundwater was not encountered to the maximum explored depth of 10.0 feet bgs; therefore, no groundwater samples were collected for laboratory analysis.

Figures 3B and 4 depict the soil borings and soil gas sample locations advanced by PM. Boring logs, which depict site-specific geology, PID readings, and soil and soil gas sample intervals are included within Appendix C.

The table below summarizes the site investigation activities including total boring depth, sample depth, analysis, objective of the soil borings, and sample justification:

Description of Soil Boring/Soil Gas Sample Locations

Location (feet bgs)	Sample Interval (feet bgs)	Analysis	Objectives	Soil and Soil Gas Sample Selection (justification)
SB-17 (10.0)	Soil: 3.0-4.0	VOCs	Further assess the former long term high risk operations and open LUST release	Soil: In the absence of field evidence of impact, samples were collected at likely depths of product lines and USTs. Groundwater: Not encountered.
	Soil: 8.0-9.0	VOCs, PNAs, PCBs, cadmium, chromium, and lead		

**Baseline Environmental Assessment of the Industrial Warehouse Property
Located at 1450-1490 Franklin Street, Detroit, Michigan
Parcel IDs: 07000027, 07000026, and 07000025
PM Environmental, Inc. Project No. 01-10433-0-0002; February 7, 2019**

Location (feet bgs)	Sample Interval (feet bgs)	Analysis	Objectives	Soil and Soil Gas Sample Selection (justification)
SB-18 (10.0)	Soil: 1.0-2.0 and 3.0-4.0	VOCs	Further assess the former long term high risk operations in the area of SB-1 and SB-3	Soil: Samples were collected from the interval exhibiting the highest PID reading (3.2 ppm) and from the sandy clay/clay interface below. Groundwater: Not encountered.
SB-19 (10.0)	Soil: 1.0-2.0 and 3.0-4.0	VOCs	Further assess the former long term high risk operations in the area of SB-2 and SB-4	Soil: In the absence of field evidence of impact, samples were collected from the sand/sandy clay interface and below for vertical delineation. Groundwater: Not encountered.
SB-20 (10.0)	Soil: 1.0-2.0 and 3.0-4.0	VOCs, PNAs, PCBs, and mercury	Further assess the former long term high risk operations in the area of SB-1	Soil: In the absence of field evidence of impact, samples were collected from the sand/clay interface and below to replicate SB-1 sample interval Groundwater: Not encountered.
SB-21 (10.0)	Soil: 1.5-2.5 and 8.0-9.0	VOCs	Further assess the former long term high risk operations in the area of SB-1, SB-2, and SB-8	Soil: In the absence of field evidence of impact, samples were collected from the sand/clay interface at the interval similar to SB-1 and SB-2 and below from a deeper interval similar to SB-8. Groundwater: Not encountered.
SB-22 (10.0)	Soil: 2.0-3.0 and 4.0-5.0	VOCs, PNAs, PCBs, cadmium, chromium, and lead	Further assess the former long term high risk operations in the area of SB-7	Soil: Samples were collected from a shallow interval and below from a deeper interval similar to SB-7 exhibiting the highest PID reading (10.4 ppm). Groundwater: Not encountered.
SB-23 (8.0)	Soil: 2.0-3.0 and .0-5.0	VOCs, PNAs, PCBs, cadmium, chromium, and lead	Further assess the former long term high risk operations in the area of SB-8 and SB-9 and the sump	Soil: Samples were collected from an interval similar to SB-9 exhibiting an elevated PID reading (3.3 ppm) and a interval below exhibiting the highest PID reading (4.6 ppm). Groundwater: Not encountered.
SG-1	Soil Gas: Sub-slab	VOCs	Assess for a potential vapor intrusion condition in the area of open LUST release	Soil Gas: Sub-slab sample collected
SG-2	Soil Gas: Sub-slab	VOCs	Assess for a potential vapor intrusion condition near SB-5/ easternmost sump	Soil Gas: Sub-slab sample collected

Location (feet bgs)	Sample Interval (feet bgs)	Analysis	Objectives	Soil and Soil Gas Sample Selection (justification)
SG-3	Soil Gas: Sub-slab	VOCs	Assess for a potential vapor intrusion condition at SB-2	Soil Gas: Sub-slab sample collected
SG-4	Soil Gas: Sub-slab	VOCs	Assess for a potential vapor intrusion condition at SB-4	Soil Gas: Sub-slab sample collected
SG-5	Soil Gas: Sub-slab	VOCs	Assess for a potential vapor intrusion condition at SB-1	Soil Gas: Sub-slab sample collected
SG-6	Soil Gas: Sub-slab	VOCs	Assess for a potential vapor intrusion condition at SB-13	Soil Gas: Sub-slab sample collected
SG-7	Soil Gas: Sub-slab	VOCs	Assess for a potential vapor intrusion condition at SB-11	Soil Gas: Sub-slab sample collected

bgs = below ground surface
ppm = parts per million

PID = photoionization detector

1.5.1 Subsurface Investigations Techniques and QA/QC Procedures

The soil borings were advanced to the desired depth using a hand auger equipped with a stainless steel bucket. Soil sampling was performed for soil classification, verification of subsurface geologic conditions, and for investigating the potential and/or extent of soil and/or groundwater contamination at the subject property. Soil samples were generally collected on a continuous basis using a hand auger equipped with a stainless-steel bucket.

During drilling operations, the drilling equipment was cleaned to minimize the possibility of cross contamination. These procedures included cleaning equipment with a phosphate free solution (i.e., Alconox®) and rinsing with distilled water after each sample collection. Drilling and sampling equipment was also cleaned in this manner prior to initiating field activities.

Soils collected from discrete sample intervals were screened using a photoionization detector (PID) to determine if VOCs were present. Soil from specific depths was placed in plastic bags, sealed, and allowed to volatilize. The headspace within each bag was then monitored with the PID. The PID is able to detect trace levels of organic compounds in the air space within the plastic bag. The PID utilizes a 10.6 electron volts (eV) lamp. Soil samples were collected from the soil borings based upon the highest PID reading, visual/olfactory evidence of impact, a change in geology, and/or surficial soil.

The soil samples for VOC analysis were preserved with methanol in accordance with United States Environmental Protection Agency (USEPA) Method 5035 modified. The soil samples were placed in appropriately labeled containers with Teflon® lined lids and/or sanitized glass jars,

placed in an ice-packed cooler, and transported under chain of custody procedures for laboratory analysis within applicable holding times to Merit Laboratories, Inc. in East Lansing, Michigan.

The soil gas samples were collected in one liter sample canister supplied by the laboratory using dynamic flux chamber methods in accordance with the May 2013 MDEQ Guidance Document for the Vapor Intrusion Pathway. Prior to collecting the soil gas samples, the sampling apparatus was determined to be leak free utilizing the flux chamber which encompassed the sample tubing and associated connections as well as the sampling point. The chamber was charged with helium prior to purging the sampling point of a maximum of three volumes. A helium detector was then applied to the sampling line to ensure no leaks had occurred. The sample canister was regulated with a flow rate of 200 ml/minute, which was pre-set at the laboratory. The soil gas samples were collected in appropriately labeled canisters and then transported under chain of custody procedures for laboratory analysis within applicable holding times.

Upon completion of the investigation, the soil borings were abandoned by removing the temporary soil gas sample materials, placing the soil cuttings back into the borehole, filling the void with bentonite chips, hydrating the chips, resurfacing and returning the area to its pre-drilling condition.

1.6 Geology and Hydrogeology

Based on review of PM's 2019 soil boring logs, the site-specific geology generally consists of sand, clayey sand, or sandy clay to between 1.0 and 4.5 feet bgs, underlain by clay to a depth of at least 10.0 feet bgs, the maximum depth explored. Groundwater was not encountered by PM to a depth of 10.0 feet bgs, the maximum depth explored.

The geology encountered by PM in 2019 is generally consistent with previous site investigations completed in 2010 and 2013, which encountered sand and clay to approximately 3.0 feet bgs, underlain by clay to a depth of at least 20.0 feet bgs, the maximum depth explored. Groundwater was not encountered to 20.0 feet bgs in 2010; however, limited, perched, and discontinuous groundwater was reportedly encountered in shallow intervals in 2013.

The 2019 soil boring logs are included in Appendix C, which consist of site specific geology, PID readings, soil gas sampling point diagrams, and sample intervals.

2.0 Location of Contaminated Media on the Subject Property

PM compared the soil groundwater analytical results from site investigation activities with the MDEQ Part 201 Generic Cleanup Criteria dated December 30, 2013 entitled "Cleanup Criteria Requirements for Response Activity", in accordance with Section 20120a(1) using the Residential and Nonresidential cleanup criteria/RBSLs.

PM compared soil gas analytical results to the USEPA Vapor Intrusion Screening Levels (VISLs) calculated using the November 2018 VISL calculator.

The 2019 soil and soil gas analytical results are presented in Tables 1 and 2 and on Figures 3B and 4. The complete January 2019 laboratory analytical reports are included in Appendix D.

Soil and groundwater analytical results from previous site investigation are summarized in Section 1.4. PM's January 2010 analytical results are summarized on PM's Figure 3A and in PM's 2010

Tables included in Appendix B. ECT's August 2013 analytical results are including in ETC's Figure 2 – Phase II Boring Locations Soil Sample Results table included in Appendix B, and the laboratory analytical report is included in Appendix D. The remaining previous laboratory analytical reports are on file with the MDEQ in previously submitted BEAs.

2.1 Summary of January 2019 Analytical Results

2.1.1 Soil Analytical Results

The 2019 soil analytical results are summarized in Table 1 and on Figure 3B.

A concentration of carbon tetrachloride was identified in the soil sample collected from SB-18 (3.0-4.0 feet bgs) above the Part 201 Residential and Nonresidential DWP cleanup criteria. Concentrations of 1,2-dichloropropane were identified in the soil samples collected from SB-19 (1.0-2.0 feet bgs) and SB-22 (4.0-5.0 feet bgs) above the Part 201 Residential and Nonresidential DWP cleanup criteria.

Concentrations of PCE were identified in the soil samples collected from SB-18 (1.0-2.0 and 3.0-4.0 feet bgs) and SB-19 (1.0-2.0 and 3.0-4.0 feet bgs) above the Part 201 Residential and Nonresidential DWP and/or GSIP cleanup criteria.

Concentrations of TCE were identified in the soil samples collected from SB-18 (1.0-2.0 and 3.0-4.0 feet bgs), SB-22 (2.0-3.0 and 4.0-5.0 feet bgs), and SB-23 (2.0-3.0 and 4.0-5.0 feet bgs) above the Part 201 Residential and Nonresidential DWP, GSIP, and/or SVII cleanup criteria.

No other concentrations of VOCs were identified in any of the remaining soil samples collected from the subject property above laboratory MDLs and/or the most restrictive Part 201 Residential cleanup criteria.

No concentrations of PNAs and PCBs were identified in any of the select soil samples collected analyzed from the subject property above laboratory MDLs.

Concentrations of cadmium, chromium, and/or lead were identified in each of the select soil samples collected from the subject property above laboratory MDLs, but below the SDBLs and the most restrictive Part 201 Residential cleanup criteria.

Concentrations of mercury were identified in the soil samples collected from SB-20 (1.0-2.0 and 3.0-4.0 feet bgs) above the Part 201 Residential and Nonresidential DWP and/or GSIP cleanup criteria.

2.1.2 Soil Gas Analytical Results

The soil gas analytical results are summarized in Table 2 and on Figure 4.

Concentrations of various VOCs were identified in the soil gas samples collected from the subject property above laboratory MDLs, but below the USEPA VISLs.

2.2 Subject Property Facility/Site/Property Status

A location where a hazardous substance is present in excess of the concentrations, which satisfy the requirements of subsection 20120a(1)(a) or (17), is a facility pursuant to Part 201. Section 20120a(1)(a) requirements are the cleanup criteria for unrestricted residential usage.

Contaminant concentrations identified in soil and groundwater on the subject property indicate exceedances of the Part 201/213 Residential and Nonresidential DWP/DW, GSIP/GSI, SVII and DC cleanup criteria/RBSLs. Therefore, based on the soil and groundwater concentrations and the open LUST status, the subject property is considered a facility under Part 201 and a site under Part 213.

3.0 PROPERTY INFORMATION

3.1 Legal Description of Subject Property

A copy of assessing information with the legal description is included in Appendix E.

3.2 Map of Subject Property

Figure 1, Property Vicinity Map; and Figure 2, Generalized Diagram of the Subject Property and Adjoining Properties, depict the subject property/parcel boundaries.

3.3 Location and Analytical Summary Maps

Figures 3A, 3B, and 4 provide scaled maps of the subject property with sampling locations and soil and soil gas analytical results from PM's January 2010 and 2019 site investigations.

3.4 Subject Property Location Map

Figure 1 provides a scaled area map depicting the subject property location in relation to the surrounding area.

3.5 Subject Property Address

As indicated in Section 1.0, the subject property is located at 1450-1490 Franklin Street, Detroit, Wayne County, Michigan (Figures 1 and 2).

3.6 Subject Spatial Data

As depicted in Figure 1, the subject property (Parcel IDs #07000027, #07000026, and #07000025) is located in the Township 2 South (T2S), Range 12 East (R12E) in Detroit, Wayne County, Michigan.

According to the MDEQ GeoWebFace website, the center of the subject property is located at latitude 42.3329 north and a longitude of -83.0302 west.

4.0 FACILITY/SITE/PROPERTY STATUS OF SUBJECT PROPERTY

As indicated in Section 2.2, based upon documented soil and groundwater exceedances of the Part 201/213 Residential and Nonresidential DWP/DW, GSIP/GSI, SVII, and DC cleanup criteria/RBSLs and the open LUST status, the subject property is a facility under Part 201 and a site under Part 213.

4.1 Summary Data Tables

PM compared the soil and groundwater analytical results from site investigation activities with the MDEQ Part 201 Generic Cleanup Criteria dated December 30, 2013 entitled "Cleanup Criteria Requirements for Response Activity", in accordance with Section 20120a(1) using the Residential and Nonresidential cleanup criteria/RBSLs.

PM compared the soil gas analytical results with the USEPA VISLs calculated using the November 2018 VISL calculator.

The 2009/2010 and 2019 soil and soil gas analytical results are summarized in Tables 1 and 2. CAS numbers associated with each target analyte identified above the laboratory MDLs are also presented in Tables 1 and 2.

ECT's August 2013 analytical figures and tables are included in Appendix B, and the laboratory analytical report is included in Appendix D.

4.2 Laboratory Reports and Chain of Custody Documentation

The soil and soil gas samples collected by PM in January 2019 were submitted for chemical analysis under chain of custody procedures and within applicable holding times to Merit. Appendix D includes the laboratory analytical reports and associated chain of custody documentation.

The laboratory analytical report from ETC's August 2013 site investigation is included in Appendix D. The remaining previous laboratory analytical reports are on file with the MDEQ in previously submitted BEAs.

5.0 IDENTIFICATION OF BEA AUTHOR

This BEA was conducted by Ms. Tonia Hack, Staff Consultant, and reviewed by Ms. Jennifer Ritchie, Regional Manager of Site Investigation Services, PM Environmental, Inc., on February 7, 2019, which is prior to or within 45 days of property ownership or occupancy. Qualification statements are provided as Appendix F.

I declare that, to the best of my professional knowledge and belief, I meet the definition of *Environmental Professional* as defined in §312.10 of 40 CFR 312 and I have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the subject property. I have developed and performed the all appropriate inquires in conformance with the standards and practices set forth in 40 CFR Part 312.

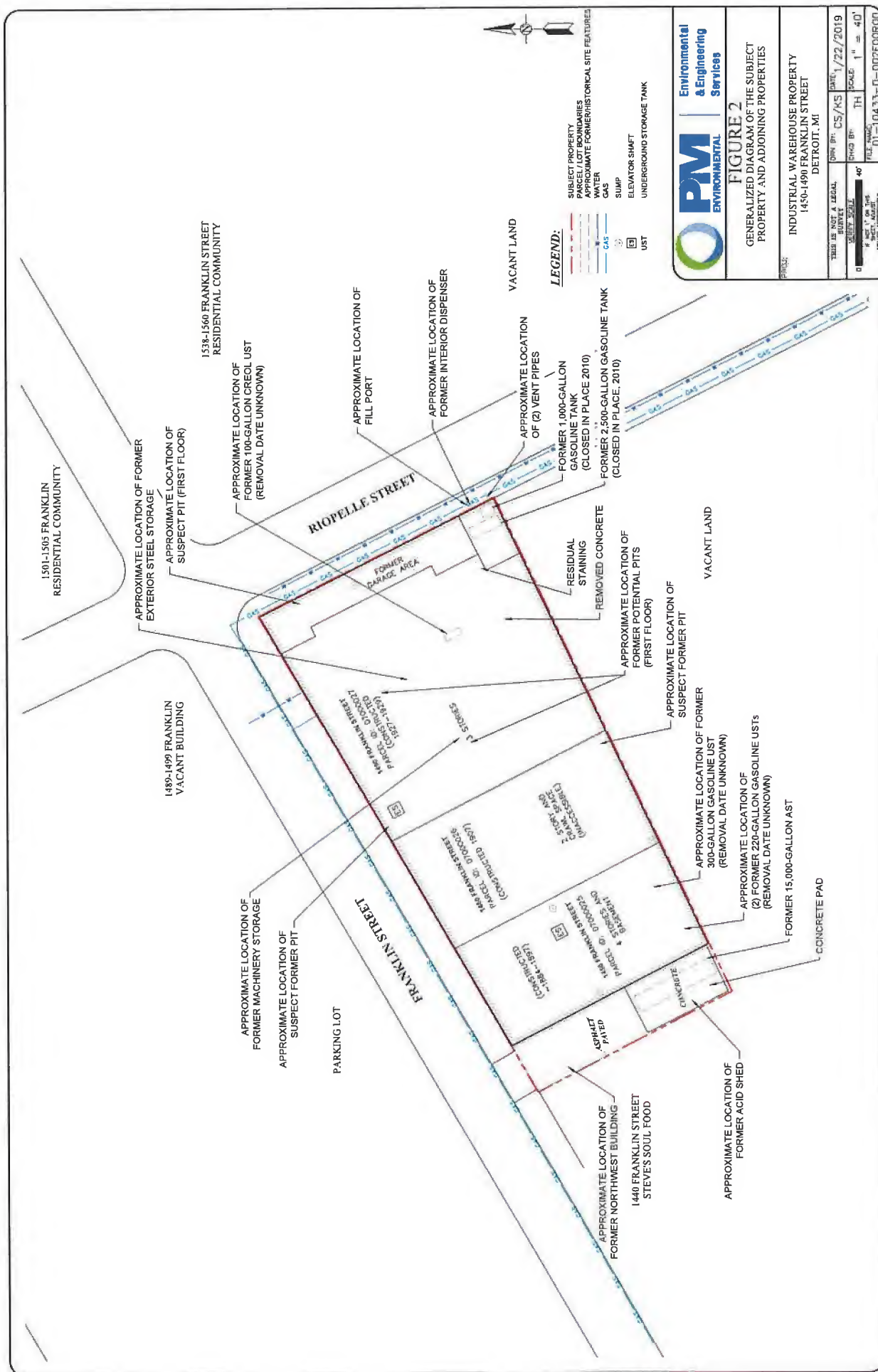


Jennifer L. Ritchie, CPG
Regional Manager – Site Investigation Services

6.0 AAI REPORT OR ASTM PHASE I ESA

As indicated in Section 1.3, PM performed a Phase I ESA of the subject property dated January 25, 2019, in conformance with the scope and limitations of ASTM Practice E 1527-13 of the Industrial Warehouse Property located at 1450-1490 Franklin Street, Detroit, Wayne County, Michigan. The scope of the Phase I ESA included consideration of hazardous substances as defined in Section 20101(1)(x) of P.A 451 of 1994, as amended, and constituted the performance of an All Appropriate Inquiry in conformance with the standards and practices set forth in 40 CFR Part 312.

A copy of the January 25, 2019, Phase I ESA is included in Appendix A.



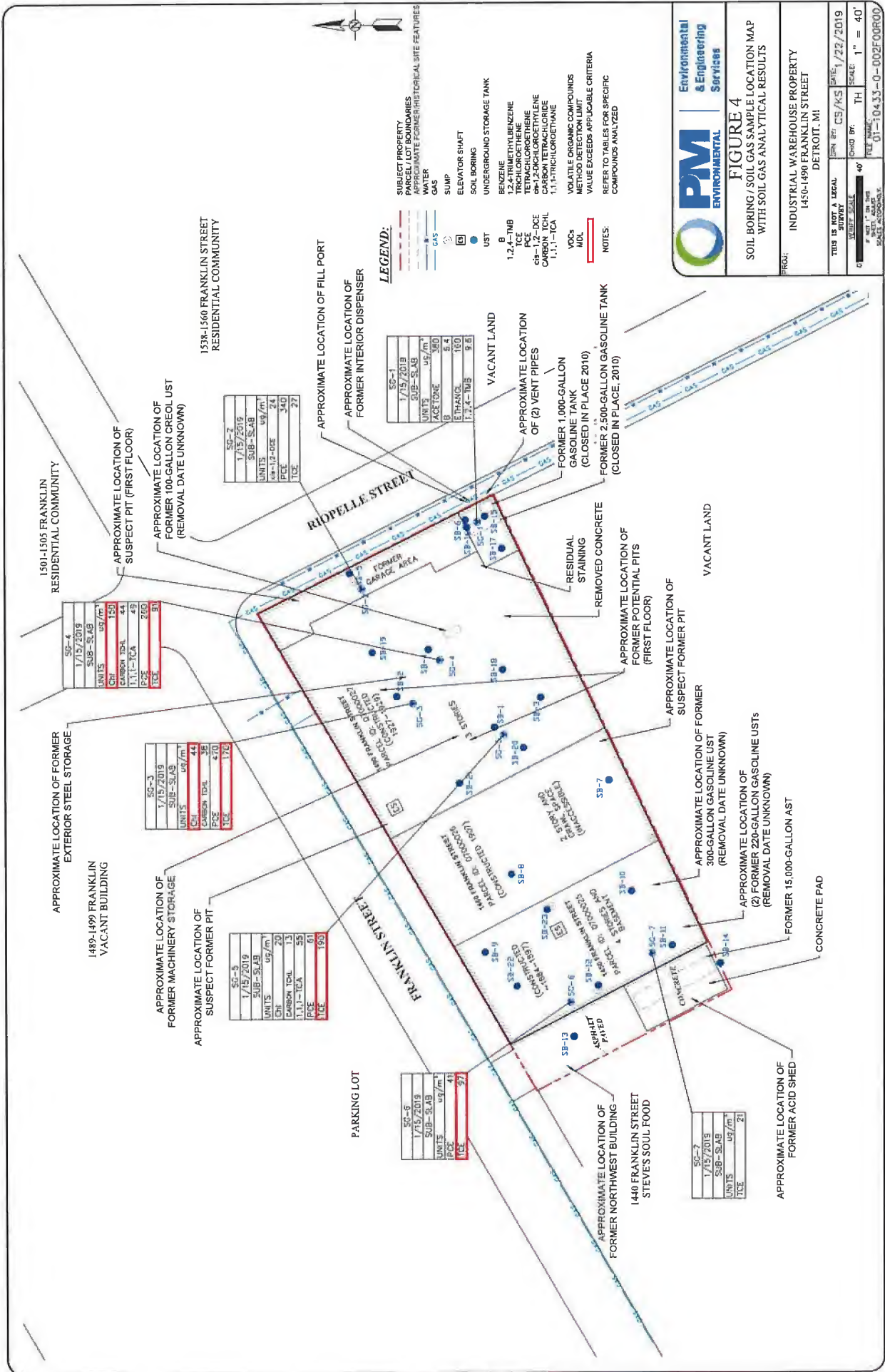


FIGURE 4

SOIL BORING / SOIL GAS SAMPLE LOCATION MAP
WITH SOIL GAS ANALYTICAL RESULTS

INDUSTRIAL WAREHOUSE PROPERTY
1450-1490 FRANKLIN STREET
DETROIT, MI

THIS IS NOT A LEGAL SURVEY

DATE: 1/22/2019

SCALE: 1" = 40'

FILE NAME: 01-10433-0-002FOUR00

ATTACHMENT I

Incentive Information

City of Detroit

CITY COUNCIL

COUNCIL PRESIDENT BRENDA JONES

Incentive Information Chart: 1450, 1460, 1490 Franklin Street, Detroit

Project Type	Incentive Type	Investment Amount	District
Commercial/Residential – Mixed Use	Brownfield TIF, PA255, and NEZ	\$31 Million Hard Cost Investment	East Riverfront

Jobs Available							
Construction				Post Construction			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
0	0	200	0	0	2	0	0

1. What is the plan for hiring Detroiters?

The development team will present at local trades sessions to solicit bidders and garner opportunities to employ Detroit residents. If the D2D program is available within the necessary timeframes, the developer will utilize this as an additional procurement source as needed.

Banyan Investments, LLC has a policy of non-discrimination in its hiring practices, as is required by prevailing non-discrimination laws. As long as Banyan remains in compliance with these policies and laws, Detroit-based worker hiring will be encouraged, both permanent and temporary.

2. Please give a detailed description of the jobs available as listed in the above chart, i.e: job type, job qualifications, etc.

Available construction jobs include demolition, asbestos abatement, underground storage tank removal, earthwork, site utilities, concrete, masonry, carpentry, steel work, architectural woodwork, roofing, window glass and glazing, framing, painting, flooring, tiling, plumbing and HVAC and electrical.

The Developer anticipates the creation of 2 full time equivalent permanent jobs at the new project associated with property maintenance. Additional tenant created jobs are anticipated to include opportunities in property management, retail/food & beverage outlets and the new theatre employees.

City of Detroit

CITY COUNCIL

COUNCIL PRESIDENT BRENDA JONES

3. Will this development cause any relocation that will create new Detroit residents?

The development is anticipated to create an estimated 48 new residential units in the City of Detroit.

4. Has the developer reached out to any community groups to discuss the project and/or any potential jobs?

Yes. Both the Detroit River Front Conservancy and the Rivertown Business Association are supportive of this project. Written letters of support are being obtained and will be provided as soon as possible.

5. When is construction slated to begin?

Construction is slated to commence in spring 2020

6. What is the expected completion date of construction?

Approximately two years following project commencement.

Exhibit B



September 11, 2019

The Honorable City Council
City of Detroit
Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1340
Detroit, Michigan 48226

City of Detroit Brownfield Redevelopment Authority
Board of Directors
500 Griswold Street, Suite 2200
Detroit, Michigan 48226

Re: Recommendation for Approval of the Stone Soap Brownfield Redevelopment Plan

Honorable Members of the Detroit City Council and the City of Detroit Brownfield Redevelopment Authority Board of Directors:

In accordance with the resolution of the Detroit City Council creating the City of Detroit Brownfield Redevelopment Authority (the "Authority"), the Community Advisory Committee, at its meeting of September 11, 2019, adopted a resolution approving the proposed Brownfield Plan for the Stone Soap Redevelopment and recommending adoption of this Brownfield Plan by the Authority and City Council.

Please accept this letter of recommendation for approval from the Community Advisory Committee on the Brownfield Plan for the Stone Soap Redevelopment.

Very truly yours,

By:

Allen Rawls, Chairperson

Community Advisory Committee to the City of Detroit
Brownfield Redevelopment Authority



**MINUTES OF THE
DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
PUBLIC HEARING FOR THE
STONE SOAP
BROWNFIELD REDEVELOPMENT PLAN**

**Wednesday, September 18, 2019
2751 E. Jefferson Ave.
Detroit, MI 48207
5:30 PM**

In attendance were:

Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Aamir Farooqi (Banyan)
Frank Arvan (Banyan)
Mike D'Agostino (Banyan)
Achea Gist (Banyan)
Erica White (Banyan)
Dan Cannon-Wilson (Banyan)
Elizabeth Masserang (PM Environmental)
Karen Slaughter-DuPerry (Detroit Riverfront Conservancy)
Constance Bailey (Rivertown)
John Stroh (The Stroh Companies)
Christopher Stroh (200 River Place Condos)

Mr. Vosburg called the meeting to order at 5:40 PM.

Mr. Vosburg informed the hearing of the tax increment financing request per the Brownfield Plan, provided an overview of the project, and answered questions regarding the activities to be reimbursed through tax increment financing.

Mr. Farooqi provided details regarding the redevelopment plan for the project location and answered questions regarding the anticipated retail tenants, the size and operation of the planned theater, the number of residential units and their size, configuration, and availability for sale or lease, the architect for the project, VolumeOne, the anticipated start of construction and construction timeline, the history of the existing structures and their past uses, parking to be available to the future residents and the public, the infrastructure planned for potential commercial tenants, and the potential and existing developments surrounding the project location.

Mr. John Stroh stated that he is excited for the project and is eager for construction to begin.

Ms. Slaughter-DuPerry stated that she would like to see a pedestrian plaza between the project location and the riverfront, and that she is very excited for the project.

Mr. Christopher Stroh stated that he is excited for the project and eager for more infill development along the East Riverfront.

Paper copies of the Brownfield Plan and renderings for the project were provided.



One person present indicated their support for the project on the sign-in sheet. There were no comments received in opposition of the project.

Citing no further public comments, Mr. Vosburg closed the public hearing at 6:22 PM.



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
MINUTES OF THE
REGULAR COMMUNITY ADVISORY COMMITTEE MEETING
WEDNESDAY, SEPTEMBER 11, 2019 -- 5:00 PM
AT DEGC OFFICES
500 GRISWOLD, SUITE 2200
DETROIT, MI**

**COMMITTEE MEMBERS
PRESENT:**

Rick Blocker
Kamal Cheeks
Dr. Regina Randall
Allen Rawls
Rico Razo
Simone Sagovac

**COMMITTEE MEMBERS
ABSENT:**

Michelle Lee
Brad Lutz
Sandra Stahl

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Benecia Cousin (URGE)
George N'Namdi (N'Namdi Holdings)
Aamir Farooqi (Banyan)
Elizabeth Masserang (PM Environmental)
Peter Procida (Procida)
Mario Procida (Procida)
Kate Humphrey (City of Detroit, HRD)
Jared Fleisher (Bedrock)
Richard Barr (Honigman)
Gage Minkley (Bedrock)

activities are estimated to commence within 18 months of approval of the Plan and be completed within 3 years.

Tax Increment Financing (TIF) Capture

The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property after approval of this Plan pursuant to the terms of a Reimbursement Agreement with the DBRA.

COSTS TO BE REIMBURSED WITH TIF

1. Pre-Approved Activities	\$42,500.00
2. Department Specific Activities	\$640,000.00
3. Demolition	\$827,752.00
4. Asbestos, Mold, and Lead Activities	\$176,740.00
5. Infrastructure Improvements (including Parking)	\$3,243,596.00
6. Site Preparation	\$417,823.00
7. Brownfield Plan & Work Plan Preparation and Implementation	\$60,000.00
8. Contingency (15%)	\$795,887.00
9. Interest	\$182,615.00
Total Reimbursement to Developer	\$6,386,913.00
10. Authority Administrative Costs	\$11,612,556.00
11. State Brownfield Redevelopment Fund	\$548,834.00
12. Local Brownfield Revolving Fund	\$3,389,100.00
TOTAL Estimated Costs	\$21,937,403.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the DBRA from the Property shall be governed by the terms of the Reimbursement Agreement.

Other Incentives

The Developer is seeking additional incentives, which will include local and/or state approval of a Commercial Facilities Exemption PA 255 Tax Abatement and Neighborhood Enterprise Zone PA 147 Tax Abatement.

Attached for the CAC's review and approval were three (3) resolutions: 1.) a resolution supporting the Plan in the event the Committee does not deem it necessary to conduct a CAC public hearing and 2.) a resolution authorizing a public hearing in the project area and 3.) a resolution authorizing a public hearing in the project area and to appoint up to two special CAC members. The public hearing may be held jointly with any public hearing conducted by the Detroit Brownfield Redevelopment Authority.

Mr. Farooqi provided information on his background as a developer and his prior project in the City of Detroit, and more information on this project including that it was an RFP through the City of Detroit, the Developer worked with the Planning and Development Department on the design of the development since the Property is in a prominent location, the Property has existing structures and space is limited to include green features but there will be greenery on the rooftop of the development, the project will have stormwater infrastructure, there will be high-efficiency appliances and mechanical systems, the limited residential properties around the Property, the cooperation between the Developer and the Riverfront Business Association and the Detroit Riverfront Conservancy, and the Shakespeare in Detroit theater to be included in the development.

Mr. Razo asked how much of the existing structures will be demolished for the development. Mr. Farooqi stated that two of the three structures will be demolished and the third will be partially deconstructed, that none of the existing structures are designated as historic or in a historic district, and that some work will need to be done to stabilize the structures in preparation for the winter months.

Mr. Cheeks asked how the Developer will try to mitigate the challenges of going over budget or the construction period taking longer than expected. Mr. Farooqi stated that there were unique challenges with his last project, St. Charles, and that O'Brien Construction has provided an estimate for a construction period of 20 months and he is confident that the project will be completed in that timeframe and that he has a good idea on the costs for the project.

Mr. Razo asked what the main reason was for the cost overruns and extension in construction period for the St. Charles project. Mr. Farooqi stated that St. Charles was a historic renovation and it was important to preserve the historic look and feel of the building and that during the course of construction there was a change in the contractor.

Mr. Rawls asked for the estimated costs of the condominium units for the project. Mr. Farooqi stated that the estimated cost for the condominium units is \$480 per square foot.

Mr. Rawls asked how many seats will be in the proposed theater. Mr. Farooqi stated that there will be approximately 120 seats in the theater.

Mr. Rawls called for a motion recommending approval of the Brownfield Plan for Stone Soap.

Mr. Cheeks motioned to recommend approval of the Brownfield Plan for Stone Soap without a CAC public hearing and without appointing special members. Mr. Blocker seconded the motion. DBRA-CAC Resolution Code 19-09-218-01, recommending approval of the Brownfield Plan for Stone Soap was unanimously approved.



Call to Order

Mr. Rawls, Chairperson, called the meeting to order at 5:12 p.m.

General

Approval of Minutes

Mr. Rawls called for approval of the minutes of the August 28, 2019 (resolution) DBRA-CAC meeting. The Committee took the following action:

On a motion by Mr. Blocker, seconded by Mr. Razo, DBRA-CAC Resolution Code 19-09-02-144, approving the August 28, 2019 CAC minutes, as presented, was unanimously approved.

Projects

Brownfield Plan for Stone Soap

Mr. Vosburg introduced the Brownfield Plan for Stone Soap to the CAC members present.

Banyan Investments, LLC is the project developer (the "Developer") for the Plan which entails the demolition of the buildings located at 1460 and 1490 Franklin Street and partial demolition, renovation and expansion of the building located at 1450 Franklin. The proposed redevelopment includes the partial renovation of 1450 Franklin Street and new construction that will feature a theater, wine bar, market, and office space on the first and second floor. The theater is anticipated to house the highly anticipated Shakespeare in Detroit. Approximately 48 residential units are proposed to occupy floors 3 through 8, including 42 condominium units and 6 for-lease apartments. The apartments are anticipated to be available as affordable units at 80% of the Area Median Income (AMI). An onsite parking garage will also be available for residents.

The total investment is estimated to be \$38.4 million. The Developer is requesting \$6,386,913.00 in TIF reimbursement.

There will be 200 temporary construction jobs and 2 FTE jobs. The 4 FTE jobs will be related to property management.

Property Subject to the Plan

The eligible property (the "Property") consists of three (3) parcels located in the Rivertown neighborhood east of downtown Detroit and is bounded by Franklin Street to the north, Riopelle Street to the east, a vacant lot to the south, and an alleyway to the west.

Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) it was previously utilized for a commercial purpose and/or public purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) it is a facility under Part 201 and a "site" under Part 213.

Eligible Activities and Projected Costs

The "eligible activities" that are intended to be carried out at the Property are considered "eligible activities" as defined by Sec 2 of Act 381, because they include Pre-Approved Activities, Department Specific Activities, Demolition, Asbestos Activities, Infrastructure Improvements, Site Preparation, and preparation and implementation of a Brownfield Plan and/or Act 381 Work Plan. The eligible activities and budgeted costs are intended as part of the development of the Property and will be financed solely by the Developer. The Authority is not responsible for any costs of eligible activities and will incur no debt. The eligible

Exhibit C



CODE DBRA 19-10-218-05

STONE SOAP BROWNFIELD REDEVELOPMENT PLAN

WHEREAS, pursuant to 381 PA 1996, as amended ("Act 381"), the City of Detroit Brownfield Redevelopment Authority (the "DBRA") has been established by resolution of the City Council of the City of Detroit (the "City Council") for the purpose of promoting the revitalization of environmentally distressed areas in the City of Detroit; and

WHEREAS, under Act 381 the DBRA is authorized to develop and propose for adoption by City Council a brownfield plan for one or more parcels of eligible property; and

WHEREAS, in accordance with the policies, procedures and bylaws governing the DBRA, the DBRA has submitted a proposed Brownfield Plan for the **Stone Soap Redevelopment Project** (the "Plan") to the Community Advisory Committee for its consideration and comment and has solicited comments by the public by publication of notice stating that the proposed Plan has been submitted to the Community Advisory Committee and by conducting a public hearing in the area to which the proposed Plan applies; and

WHEREAS, the Community Advisory Committee has considered the proposed Plan and approved a resolution recommending the approval of the proposed Plan by the DBRA and the City Council as presented by the DBRA; and

WHEREAS, in accordance with the provisions of Act 381, the Board of Directors of the DBRA has considered the proposed Plan and desires to approve the proposed Plan and to request that City Council call a public hearing to consider and adopt a resolution approving the proposed Plan.

NOW, THEREFORE, BE IT RESOLVED:

1. The Board of Directors of the DBRA has determined that the adoption of the Brownfield Plan for the **Stone Soap Redevelopment Project** is in keeping with the purposes of Act 381 and recommends submittal of the Plan to City Council for approval.

2. The Board of Directors of the DBRA approves the Plan substantially in the form attached hereto and on file with the Secretary of the DBRA.

3. Any Authorized Agent of the DBRA is authorized and directed to submit a certified copy of this Resolution and the Plan to the City Clerk, together with a request that the City Council call a public hearing concerning the Plan and to take all other actions required to approve the Plan in accordance with Act 381.

4. That any one of the officers and any one of the Authorized Agents of the DBRA or any two of the Authorized Agents of the DBRA shall hereafter have the authority to negotiate and execute all documents, contracts, or other papers, and take such other actions, necessary or appropriate to implement the provisions and intent of this Resolution on behalf of the DBRA.

5. That all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

6. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

October 9, 2019

EXHIBIT D

RESOLUTION CALLING A PUBLIC HEARING REGARDING
APPROVAL OF THE BROWNFIELD PLAN OF THE
CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FOR THE STONE SOAP REDEVELOPMENT

The following preamble and resolution were offered by Member _____ and supported by Member _____:

WHEREAS, the City of Detroit, County of Wayne, Michigan (the "City") is authorized by the provisions of Act 381, Public Acts of Michigan, 1996 ("Act 381"), to create a brownfield redevelopment authority; and

WHEREAS, pursuant to Act 381, the City Council of the City duly established the City of Detroit Brownfield Redevelopment Authority (the "Authority"); and

WHEREAS, in accordance with the provisions of Act 381, the Authority has prepared a Brownfield Plan for the Stone Soap Redevelopment (the "Plan") and submitted the Plan to the Community Advisory Committee for review and comment; and

WHEREAS, after receipt of the recommendation of the Community Advisory Committee to approve the, the Authority has approved the Plan and forwarded it to City Council with a request for its approval; and

WHEREAS, prior to approval of the Plan, the City Council is required to hold a public hearing in connection with consideration of the Plan pursuant to Act 381.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby acknowledges receipt of the Plan from the Authority.

2. A public hearing is hereby called on Thursday, the 14th day of November, 2019 at 10:40 AM, prevailing Eastern Time, in the Council Chambers, 13th Floor of the Coleman A. Young Municipal Center in the City to consider adoption by the City Council of a resolution approving the Plan.

3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

4. The City Clerk is requested to submit three (3) certified copies of this resolution to the DBRA, 500 Griswold Street, Suite 2200, Detroit, MI 48226.

AYES: Members _____

NAYS: Members _____

RESOLUTION DECLARED ADOPTED.

WAIVER OF RECONSIDERATION

Janice Winfrey, City Clerk
City of Detroit
County of Wayne, Michigan

**RESOLUTION APPROVING BROWNFIELD PLAN
OF THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FOR THE STONE SOAP REDEVELOPMENT PROJECT**

City of Detroit
County of Wayne, Michigan

WHEREAS, pursuant to 381 PA 1996, as amended (“Act 381”), the City of Detroit Brownfield Redevelopment Authority (“Authority”) has been established by resolution of the City Council of the City of Detroit (the “City”) for the purpose of promoting the revitalization of eligible properties in the City; and

WHEREAS, under Act 381 the Authority is authorized to develop and propose for adoption by City Council a brownfield plan for one (1) or more parcels of eligible property; and

WHEREAS, pursuant to the resolution establishing the Authority and the bylaws of the Authority, the Authority has submitted a proposed Brownfield Plan for the Stone Soap Redevelopment Project (the “Plan”); and

WHEREAS, the Authority submitted the Plan to the Community Advisory Committee for consideration on September 11, 2019, per the provisions of the resolution establishing the Authority, and a public hearing was conducted by the Authority on September 18, 2019 to solicit comments on the proposed Plan; and

WHEREAS, the Community Advisory Committee recommended approval of the Plan on September 11, 2019; and

WHEREAS, the Authority approved the Plan on October 9, 2019 and forwarded it to the City Council with a request for its approval of the Plan; and

WHEREAS, the required notice of the public hearing on the Plan was given in accordance with Section 13 of Act 381; and

WHEREAS, the City Council held a public hearing on the proposed Plan on November 14, 2019.

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. Definitions. Where used in this Resolution the terms set forth below shall have the following meaning unless the context clearly requires otherwise:

“Eligible Activities” or “eligible activity” shall have the meaning described in Act 381.

“Eligible Property” means the property designated in the Plan as the Eligible Property, as described in Act 381.

“Plan” means the Plan prepared by the Authority, as transmitted to the City Council by the Authority for approval, copies of which Plan are on file in the office of the City Clerk.

“Taxing Jurisdiction” shall mean each unit of government levying an ad valorem property tax on the Eligible Property.

2. Public Purpose. The City Council hereby determines that the Plan constitutes a public purpose.

3. Best Interest of the Public. The City Council hereby determines that it is in the best interests of the public to promote the revitalization of environmentally distressed areas in the City to proceed with the Plan.

4. Review Considerations. As required by Act 381, the City Council has in reviewing the Plan taken into account the following considerations:

(a) Portions of the property designated in the Plan meets the definition of Eligible Property, as described in Act 381, including consideration of the criteria of “facility” as defined in Act 381;

(b) The Plan meets the requirements set forth in section 13 of Act 381.

(c) The proposed method of financing the costs of eligible activities is feasible and the Authority has the ability to arrange the financing.

(d) The costs of eligible activities proposed are reasonable and necessary to carry out the purposes of Act 381.

(e) The amount of captured taxable value estimated to result from adoption of the Plan is reasonable.

5. Approval and Adoption of Plan. The Plan as submitted by the Authority is hereby approved and adopted. A copy of the Plan and all amendments thereto shall be maintained on file in the City Clerk’s office.

6. Preparation of Base Year Assessment Roll for the Eligible Property.

(a) Within 60 days of the adoption of this Resolution, the City Assessor shall prepare the initial Base Year Assessment Roll for the Eligible Property in the Plan. The initial Base Year Assessment Roll shall list each Taxing Jurisdiction levying taxes on the Eligible Property on the effective date of this Resolution and the amount of tax revenue

derived by each Taxing Jurisdiction from ad valorem taxes on the Eligible Property, excluding millage specifically levied for the payment of principal and interest of obligations approved by the electors or obligations pledging the unlimited taxing power of the local governmental unit.

(b) The City Assessor shall transmit copies of the initial Base Year Assessment Roll to the City Treasurer, County Treasurer, Authority and each Taxing Jurisdiction which will have Tax Increment Revenues captured by the Authority, together with a notice that the Base Year Assessment Roll has been prepared in accordance with this Resolution and the Plan approved by this Resolution.

7. Preparation of Annual Base Year Assessment Roll. Each year within 15 days following the final equalization of the Eligible Property, the City Assessor shall prepare an updated Base Year Assessment Roll. The updated Base Year Assessment Roll shall show the information required in the initial Base Year Assessment Roll and, in addition, the Tax Increment Revenues for each Eligible Property for that year. Copies of the annual Base Year Assessment Roll shall be transmitted by the Assessor to the same persons as the initial Base Year Assessment Roll, together with a notice that it has been prepared in accordance with the Plan.

8. Establishment of Project Fund; Approval of Depositary. The Authority shall establish a separate fund for the Eligible Property subject to this Plan, which shall be kept in a depositary bank account or accounts in a bank or banks approved by the Treasurer of the City. All moneys received by the Authority pursuant to the Plan shall be deposited in the Project Fund for the Eligible Property. All moneys in the Project Fund and earnings thereon shall be used only in accordance with the Plan and Act 381.

9. Use of Moneys in the Project Fund. The moneys credited to the Project Fund and on hand therein from time to time shall be used annually to first make those payments authorized by and in accordance with the Plan and any development agreement governing such payments and then to the Local Brownfield Revolving Fund, as authorized by Act 381:

10. Return of Surplus Funds to Taxing Jurisdictions. The Authority shall return all surplus funds not deposited in the Local Brownfield Revolving Fund proportionately to the Taxing Jurisdictions.

11. Payment of Tax Increment Revenues to Authority. The municipal and the county treasurers shall, as ad valorem and specific local taxes are collected on the Eligible Property, pay the Tax Increment Revenues to the Authority for deposit in the Project Fund. The payments shall be made not more than 30 days after the Tax Increment Revenues are collected.

12. Disclaimer. By adoption of this Resolution and approval of the Plan, the City assumes no obligation or liability to the owner, developer, lessee or lessor of the Eligible Property for any loss or damage that may result to such persons from the adoption

of this Resolution and Plan. The City makes no guarantees or representations as to the ability of the Authority to capture tax increment revenues from the State and local school district taxes for the Plan.

13. Repealer. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

14. The City Clerk is requested to submit four (4) certified copies of this Resolution to the DBRA, 500 Griswold Street, Suite 2200, Detroit, MI 48226

AYES: Members

NAYS: Members

RESOLUTION DECLARED ADOPTED.

Janice Winfrey, City Clerk
City of Detroit
County of Wayne, Michigan

WAIVER OF RECONSIDERATION IS REQUESTED

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Detroit, County of Wayne, State of Michigan, at a regular meeting held on _____, 2019, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Janice Winfrey, City Clerk
City of Detroit
County of Wayne, Michigan



October 24, 2019

Honorable City Council
City of Detroit
1340 Coleman A. Young Municipal Center
Detroit, Michigan 48226

Re: **Midtown West Brownfield Redevelopment Plan**

Dear Honorable Council Members:

The enclosed Brownfield Plan for the Midtown West Redevelopment Project (the "Plan") (Exhibit A), was submitted by the Detroit Brownfield Redevelopment Authority Board (the "DBRA") and to the Community Advisory Committee (the "CAC"). The Plan was considered and reviewed by the CAC at its September 11, 2019 meeting and a public hearing was held by the DBRA on September 24, 2019 to solicit public comments. The Committee's communication to the City Council and the DBRA, dated September 11, 2019 (Exhibit B), recommending approval of the Plan, including the excerpt of the minutes of the CAC meeting pertaining to the plan and the minutes the public hearing held by the DBRA, are enclosed for the City Council's consideration.

On September 25, 2019, the DBRA adopted a resolution (Exhibit C) approving the Plan and authorizing the submission of a copy of its resolution and the Plan to the City Clerk, together with a request that the Detroit City Council call a public hearing concerning the Plan and to take all other actions to approve the Plan in accordance with Act 381.

The Plan is now presented to the City Council for approval. The Detroit City Council will, after publication of the notices, hold a public hearing on the Plan. After the public hearing, the City Council shall determine whether the Plan constitutes a public purpose and, if so, may approve or reject the Plan or approve it with modifications.

Property Subject to the Plan

The eligible property (the "Property") consists of one (1) parcel located at 931 Selden in the western portion of the Midtown neighborhood of Detroit and is bounded by Selden Street to the north, the proposed Fourth Avenue to the east, the proposed Tuscola Avenue to the south, and the John C. Lodge Service Drive to the west.

Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) it was previously utilized for a commercial purpose and/or public purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) it is a facility under Part 201 due to the presence of arsenic, benzo(a)pyrene, benzo(b)fluoranthene and dibenzo(a,h)anthracene in soil and fill.

Eligible Activities and Projected Costs

The "eligible activities" that are intended to be carried out at the Property are considered "eligible activities" as defined by Sec 2 of Act 381, because they include baseline environmental assessment activities, department specific activities, additional response activities, site preparation, infrastructure improvements, development and preparation of a brownfield plan and work plan, brownfield plan implementation. The eligible activities and budgeted costs are intended as part of the development of the Property and will be financed solely by the Developer. The Authority is not responsible for any costs of eligible activities and will incur no debt. The eligible activities are estimated to commence within 18 months of approval of the Plan and be completed within 4 years.

Tax Increment Financing (TIF) Capture

The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property after approval of this Plan pursuant to the terms of a Reimbursement Agreement with the DBRA.

COSTS TO BE REIMBURSED WITH TIF

1. Environmental Assessment Activities	\$65,000.00
2. Environmental Reporting and Compliance	\$50,000.00
3. Department Specific Activities	\$246,296.00
4. Vapor Mitigation System	\$750,000.00
5. Environmental Response Activities and Oversight	\$50,000.00
6. No Further Action Report	\$25,000.00
7. Infrastructure Improvements (including Parking)	\$1,809,635.00
8. Site Preparation	\$121,326.00
9. Storm Water Management	\$50,000.00
10. Brownfield Plan & Work Plan Preparation and Implementation	\$60,000.00
11. Contingency (15%)	\$475,088.00
12. Interest	\$548,683.00
Total Reimbursement to Developer	\$4,251,029.00
13. Authority Administrative Costs	\$1,205,852.00
14. State Brownfield Redevelopment Fund	\$389,197.00
15. Local Brownfield Revolving Fund	\$2,431,635.00
TOTAL Estimated Costs	\$8,277,713.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the DBRA from the Property shall be governed by the terms of the Reimbursement Agreement.

Other Incentives

The Developer is seeking additional incentives, which will include local and/or state approval of a Commercial Rehabilitation Act PA 210 Tax Abatement and Neighborhood Enterprise Zone PA 147 Tax Abatement.

DBRA's Request

The DBRA is respectfully requesting the following actions from the City Council:

- a.) October 29, 2019
City Council adoption of the Resolution (Exhibit D), setting the Midtown West Brownfield Redevelopment Plan public hearing, as approved by the Planning and Economic Development Standing Committee Chair and the City of Detroit Clerk, for November 14, 2019 at 10:25 AM in the Council Chambers, 13th Floor of the Coleman A. Young Municipal Center, located at 2 Woodward Avenue, Detroit, Michigan.

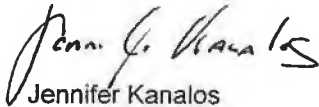
Honorable City Council

October 24, 2019

3

- b.) November 14, 2019, 10:20 AM
Discussion with taxing jurisdictions regarding the fiscal impact of the Plan.
- c.) November 14, 2019, 10:25 AM
Public Hearing at City Council's Planning and Economic Development Standing Committee concerning the Midtown West Brownfield Redevelopment Plan.
- d.) November 19, 2019
City Council adoption of the Resolution approving the Midtown West Brownfield Redevelopment Plan (Exhibit E).

Sincerely,



Jennifer Kanalos
Authorized Agent

- c City Clerk
Marcel Todd
Irvin Corley, Jr.
David Whitaker
Derrick Headd
Marcel Hurt
DeAndree Watson
Kevin Johnson
Malinda Jensen
Matthew Walters
Allen Rawls
Brian Vosburg
Stephanie Washington

EXHIBIT A

CITY OF DETROIT
BROWNFIELD REDEVELOPMENT AUTHORITY

BROWNFIELD PLAN FOR THE
MIDTOWN WEST
REDEVELOPMENT PROJECT

Prepared by:

Richard A. Barr, Esq.
Honigman LLP
660 Woodward Avenue, Ste. 2290
Detroit, Michigan 48226
Phone: (313) 465-7308

Developer:

PDH Development Group LLC
Attn: Peter Procida
456 E. 176th Street
Bronx, NY 10457
Phone: (203) 561-5217

September 9, 2019

**CITY OF DETROIT
BROWNFIELD REDEVELOPMENT AUTHORITY
BROWNFIELD PLAN**

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	GENERAL PROVISIONS	
	A. Description of Eligible Property	2
	B. Basis of Eligibility	3
	C. Summary of Eligible Activities	3
	D. Estimate of Captured Taxable Value and Tax Increment Revenues; Impact of Tax Increment Financing on Taxing Jurisdictions	5
	E. Plan of Financing; Maximum Amount Of Indebtedness	6
	F. Duration of Plan	7
	G. Effective Date of Inclusion	7
	H. Displacement/Relocation of Individuals On Eligible Property	8
	I. Local Brownfield Revolving Fund (LBRF)	8
	J. Brownfield Redevelopment Fund	8
	K. Developer's Obligations, Representations and Warrants	8
III.	ATTACHMENTS	
	A. Site Map	
	B. Legal Description(s)	
	C. Project Description	
	D. Supportive Letter	
	E. Estimated Cost of Eligible Activities	

F. TIF Tables

G. BSE&E Acknowledgement and Other Environmental Documents

H. Incentive Information Chart

I. INTRODUCTION

In order to promote the revitalization of environmentally distressed and blighted areas within the boundaries of the City of Detroit, Michigan (the “City”), the City has established the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) pursuant to Michigan Public Act 381 of 1996, as amended (“Act 381”).

The primary purpose of this Brownfield Plan (“Plan”) is to promote the redevelopment of and private investment in certain “brownfield” properties within the City. Inclusion of property within this Plan will facilitate financing of environmental response and other eligible activities at eligible properties, and will also provide tax incentives to eligible taxpayers willing to invest in revitalization of eligible sites, commonly referred to as “brownfields.” By facilitating redevelopment of brownfield properties, this Plan is intended to promote economic growth for the benefit of the residents of the City and all taxing units located within and benefited by the DBRA.

This Plan is intended to apply to the eligible property identified in this Plan and, if tax increment revenues are proposed to be captured from that eligible property, to identify and authorize the eligible activities to be funded by such tax increment revenues.

This Plan is intended to be a living document, which may be modified or amended in accordance with the requirements of Act 381, as necessary to achieve the purposes of Act 381. A subsequent change to the identification or designation of developer after the approval of this Plan by the governing body shall not necessitate an amendment to the Plan, affect the application of this Plan to the eligible property or impair the rights available to the DBRA under this Plan. The applicable sections of Act 381 are noted throughout the Plan for reference purposes.

This Plan describes the Project to be completed (see Attachment C) and contains all of the information required by Section 13(2) of Act 381.

II. GENERAL PROVISIONS

A. Description of the Eligible Property (Section 13 (2)(h)) and the Project

The property consists of one parcel of land containing approximately 2.162 acres of land. The parcel is a facility. The property and all tangible personal property located thereon will comprise the eligible property and is collectively referred to herein as the "Property."

Attachment A includes a site map of the Property. The Property is located in the western portion of Midtown, bounded by Selden Street to the north, the proposed Fourth Avenue to the east, the proposed Tuscola Avenue to the south and the John C. Lodge Service Drive to the west.

Parcel information is outlined below.

Address	931 Selden (Parcel 1; currently vacant land)
Parcel ID	04000759.005
Owner	City of Detroit
Legal Description	<p>LAND SITUATED IN THE COUNTY OF WAYNE, CITY OF DETROIT, STATE OF MICHIGAN, IS DESCRIBED AS FOLLOWS:</p> <p>PARCEL 1 PART OF LOTS 3 THROUGH 7, ALL OF LOTS 8 THROUGH 11, PART OF LOT 12, FORSYTH CONNOR ESTATES AS RECORDED IN LIBER 1 OF PLATS, PAGE 219, WAYNE COUNTY RECORDS, PART OF LOTS 1 THROUGH 9, AND ADJACENT VACATED ALLEYS AND PART OF VACATED TUSCOLA AVENUE, BONSWOR & SCOTT'S SUBDIVISION BLOCK 3 AS RECORDED IN LIBER 3 OF PLATS, PAGE 69, WAYNE COUNTY RECORDS, BEING MORE PARTICULARLY DESCRIBED AS: COMMENCING AT THE NORTHEAST CORNER OF SAID LOT 1 OF BONSWOR & SCOTT'S SUBDIVISION BLOCK 3, THENCE S67°13'00"W 1.50 FEET TO A POINT; THENCE S22°47'00"E 3.00 FEET TO THE POINT OF BEGINNING; THENCE S22°47'00"E ALONG THE WESTERLY RIGHT OF WAY LINE OF FOURTH AVENUE (58 FEET PROPOSED RIGHT OF WAY), 272.50 FEET TO A POINT ON THE NORTHERLY RIGHT OF WAY OF TUSCOLA AVENUE (58 FEET PROPOSED RIGHT OF WAY); THENCE S67°13'00"W ALONG SAID RIGHT OF WAY, 361.98 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY OF JOHN</p>

	<p>C LODGE DRIVE (VARIABLE WIDTH RIGHT OF WAY); THENCE N20°45'40"W ALONG SAID RIGHT OF WAY, 67.54 FEET TO A POINT; THENCE N67°13'00"E 29.00 FEET TO A POINT ON THE EASTERLY LINE OF SAID LOT 11, FORSYTH CONNOR ESTATES; THENCE N23°26'45"W ALONG SAID EASTERLY LINE OF LOT 11, 82.01 FEET TO THE SOUTHWEST CORNER OF SAID LOT 4; THENCE S67°13'00"W ALONG THE SOUTHERLY LINE OF SAID LOT 3, 18.00 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF SAID JOHN C LODGE DRIVE; THENCE N20°15'52"W ALONG SAID RIGHT OF WAY, 123.12 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF SELDEN STREET (53 FEET PROPOSED RIGHT OF WAY); THENCE N67°13'00"E ALONG SAID RIGHT OF WAY, 344.13 FEET TO THE POINT OF BEGINNING.</p>
--	---

PDH Development Group LLC, the project developer ("Developer"), is acquiring the Property from the City of Detroit. The project is a mixed-use residential and commercial development. It is currently anticipated construction will begin in the Spring of 2020 and eligible activities will be completed within 36 months. The project description provided herein is a summary of the proposed development at the Property at the time of the adoption of the Plan. The actual development may vary from the project description provided herein, without necessitating an amendment to this Plan, so long as such variations arise as a result of changes in market and/or financing conditions affecting the project and/or are related to the addition or immaterial removal of amenities to the project. Any material changes, as determined by DBRA in its sole discretion, to the project description are subject to the approval of the DBRA staff and shall be consistent with the overall nature of the proposed development, its proposed public purpose, and the purposes of Act 381.

Attachment C provides a description of the project to be completed at the Property (the "Project") and Attachment D includes letters of support for the Project.

B. Basis of Eligibility (Section 13 (2)(h) and Section 2 (p))

The Property is considered "eligible property" as defined by Act 381, Section 2, because (a) it was previously utilized for a commercial purpose and/or public purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) it is a facility under Part 201 due to the presence of arsenic, benzo(a)pyrene, benzo(b)flouranthene and dibenzo(a,h)anthracene in soil and fill.

C. Summary of Eligible Activities and Description of Costs (Section 13 (2)(a),(b))

The "eligible activities" that are intended to be carried out at the Property are considered "eligible activities" as defined by Section 2 of Act 381 because they include baseline environmental assessment activities, department specific activities, additional response

activities, site preparation, infrastructure improvements, development and preparation of a brownfield plan and work plan, brownfield plan implementation and interest.

A summary of the eligible activities and the estimated cost of each eligible activity intended to be paid for with Tax Increment Revenues from the Property are shown in the table attached hereto as Attachment E. The eligible activities include response activities to properly manage contaminated soils on the Property; geotechnical evaluations; removal and replacement of fill material; construction of an enclosed parking level with approximately 149 parking spaces; storm water management features; and improvements in the rights of way of adjacent streets. The eligible activities described in Attachment E are not exhaustive. Subject to the approval of DBRA staff in writing, additional eligible activities may be carried out at the Property, without requiring an amendment to this Plan, so long as such eligible activities are permitted by Act 381 and the performance of such eligible activities does not exceed the total costs stated in Attachment E.

Eligible activities began in 2018 with environmental response activities including Phase I and later Phase II and baseline environmental assessment activities; however, in no event shall the commencement of eligible activities begin later than eighteen months after the date the governing body approves this Plan, unless otherwise agreed to in writing by DBRA. All eligible activities will be completed within four (4) years of the date the governing body approves this Plan; provided however, any long-term monitoring or operation and maintenance activities or obligations that may be required will be performed in compliance with the terms of this Plan and any documents prepared pursuant to this Plan.

The Developer desires to be reimbursed for the costs of eligible activities and interest thereon as described below. Activities may commence prior to the adoption of this Plan and be reimbursable to the full extent permitted by Act 381. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property pursuant to the terms of a Reimbursement Agreement to be executed by the DBRA and the Developer after approval of this Plan (the "Reimbursement Agreement"), to the extent permitted by Act 381. In the event this Plan contemplates the capture of tax increment revenue derived from "taxes levied for school operating purposes" (as defined by Section 2(uu) of Act 381 and hereinafter referred to as "School Taxes"), the Developer acknowledges and agrees that DBRA's obligation to reimburse the Developer for the cost of eligible activities with tax increment revenue derived from Local Taxes, or Specific Taxes that are considered Local Taxes, (as these capitalized terms are defined by Act 381) is contingent upon: (i) the Developer receiving at least the initial applicable work plan approvals by the Michigan Strategic Fund (MSF) and the Michigan Department of Environment, Great Lakes, and Energy (EGLE), as may be required pursuant to Act 381, within 180 days after the date this Plan is approved by the governing body, or such other date as the DBRA may agree to in writing; or (ii) the Developer providing the DBRA with evidence, satisfactory to DBRA, that the Developer has the financial means to complete the project without the capture of, and subsequent reimbursement with, the contemplated School Taxes.

The costs listed in Attachment E are estimated costs and may increase or decrease depending upon the nature and extent of environmental contamination and other unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the DBRA from the Property shall be governed by the terms of the Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Act 381. The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment or reimbursement, provided that the total cost of eligible activities subject to payment or reimbursement under the Reimbursement Agreement shall not exceed the estimated costs set forth in Attachment E. As long as the total costs are not exceeded, line item costs of eligible activities may be adjusted after the date this Plan is approved by the governing body, to the extent the adjustments do not violate the terms of the approved EGLE or MSF work plan.

D. Estimate of Captured Taxable Value and Tax Increment Revenues (Section 13(2)(c)); Beginning Date of Capture of Tax Increment Revenues (Section 13(2)(f); Impact of Tax Increment Financing on Taxing Jurisdictions (Section 13(2)(g))

This Plan anticipates the capture of tax increment revenues to reimburse the Developer for the costs of eligible activities under this Plan in accordance with the Reimbursement Agreement. Subject to Section 13(b)(16) of Act 381, a table of estimated tax increment revenues to be captured is attached to this Plan as Attachment F.

Tax increments are projected to be captured and applied to (i) reimbursement of eligible activity costs and payment of DBRA administrative and operating expenses, (ii) make deposits into the State Brownfield Redevelopment Fund, and (iii) make deposits into the DBRA's Local Brownfield Revolving Fund, as follows:

<u>School Capture</u>	TOTALS	Reimbursement of costs & interest	DBRA Admin. Costs	State Redev. Fund	Local Brownfield Revolving Fund
State Education Tax (SET)	\$ 778,394	\$ 250,721	\$ -	\$ 389,197	\$ 138,476
School Operating Tax	\$ 2,335,181	\$ 1,504,327	\$ -	\$ -	\$ 830,854
School Total	\$ 3,113,575	\$ 1,755,048	\$ -	\$ 389,197	\$ 969,330
<u>Local Capture</u>					
City Operating	\$ 2,467,277	\$ 1,192,508	\$ 576,122	\$ -	\$ 698,647
Library	\$ 572,635	\$ 276,772	\$ 133,713	\$ -	\$ 162,150
Wayne County Operating	\$ 967,273	\$ 467,512	\$ 225,863	\$ -	\$ 273,898
Huron Clinton Metropolitan Authority	\$ 27,620	\$ 13,350	\$ 6,449	\$ -	\$ 7,821
Wayne County ISD	\$ 449,432	\$ 217,224	\$ 104,945	\$ -	\$ 127,263
Wayne County ENH	\$ 259,465	\$ 125,407	\$ 60,586	\$ -	\$ 73,471
Wayne County Community College	\$ 420,436	\$ 203,209	\$ 98,174	\$ -	\$ 119,053
Local Total	\$ 5,164,138	\$ 2,495,981	\$ 1,205,852	\$ -	\$ 1,462,305
Total Captured School and Local Taxes	\$ 8,277,713	\$ 4,251,029	\$ 1,205,852	\$ 389,197	\$ 2,431,635

In addition, the following taxes are projected to be generated but shall not be captured during the life of this Plan:

<u>Non-Capturable Millages</u>	
City Debt	\$ 1,154,565
School Debt	\$ 1,667,705
Wayne County DIA	\$ 25,657
Wayne County Zoo	\$ 12,829
Total Non-Capturable Taxes	\$ 2,860,756

In no event shall the duration of this Plan exceed thirty-five years following the date of the governing body's resolution approving this Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five years after the date of the governing body's resolution approving this Plan. The beginning date of the capture of tax increment revenues shall be the 2021 tax year (commencing with the Summer 2021 property taxes).

E. Plan of Financing (Section 13(2)(d)); Maximum Amount of Indebtedness (Section 13(2)(e))

The eligible activities are to be financed solely by the Developer. The DBRA will reimburse the Developer for the cost of approved eligible activities, but only from tax increment revenues generated from the Property. No advances have been or shall be made by the City or the DBRA for the costs of eligible activities under this Plan.

All reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan are intended to authorize the DBRA to fund such reimbursements and does not obligate the DBRA or the City to fund any reimbursement or to enter into the Reimbursement Agreement providing for the reimbursement of any costs for which tax increment revenues may be captured under this Plan, or which are permitted to be reimbursed under this Plan. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by this Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Unless otherwise agreed upon by the Developer, the DBRA, and the State of Michigan, the DBRA shall not incur any note or bonded indebtedness to finance the purposes of this Plan.

Interest shall be paid under this Plan as provided in the Reimbursement Agreement, provided that to the extent that the MSF or EGLE does not approve the payment of interest on an eligible activity with school taxes, interest shall not be paid under this Plan from school taxes with respect to the cost of such eligible activity. Unless otherwise agreed upon by the Developer, the DBRA, and the State of Michigan, the DBRA may approve interest on the local portion of the reimbursement to the extent that the projected internal

rate of return to the Developer does not exceed twenty percent (20%), as more specifically stated in the Reimbursement Agreement.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of Eligible Activities (including interest) permitted under this Plan.

F. Duration of Plan (Section 13(2)(f))

Subject to Section 13b(16) of Act 381, the beginning date of capture of tax increment revenues for each eligible property shall occur in accordance with the TIF table described in Exhibit F. In no event, however, shall this Plan extend beyond the maximum term allowed by Section 13(2)(f) of Act 381 for the duration of this Plan.

Furthermore, this Plan, or any subsequent amendment thereto, may be abolished or terminated in accordance with Section 14(8) of Act 381 in the event of any of the following:

a. The governing body may abolish this Plan (or any subsequent amendment thereto) when it finds that the purposes for which this Plan was established have been accomplished.

b. The governing body may terminate this Plan (or any subsequent amendment thereto) if the project for which eligible activities were identified in this Plan (or any subsequent amendment thereto) fails to occur with respect to the eligible property for at least two (2) years following the date of the governing body resolution approving this Plan (or any subsequent amendment thereto), provided that the governing body first does both of the following: (i) gives 30 days' written notice to the Developer at its last known address by certified mail or other method that documents proof of delivery attempted; and (ii) provides the Developer with an opportunity to be heard at a public meeting.

Notwithstanding anything in this subsection to the contrary, this Plan (or any subsequent amendment thereto) shall not be abolished or terminated until the principal and interest on bonds, if any, issued under Section 17 of Act 381 and all other obligations to which the tax increment revenues are pledged have been paid or funds sufficient to make the payment have been identified or segregated.

G. Effective Date of Inclusion in Brownfield Plan

The Property will become a part of this Plan on the date this Plan is approved by the Detroit City Council.

H. Displacement/Relocation of Individuals on Eligible Property (Section 13(2)(i-l))

There are no persons or businesses residing on the eligible property and no occupied residences will be acquired or cleared, therefore there will be no displacement or relocation of persons or businesses under this Plan.

I. Local Brownfield Revolving Fund (“LBRF”) (Section 8; Section 13(2)(m))

The DBRA has established a Local Brownfield Revolving Fund (LBRF). The LBRF will consist of all tax increment revenues authorized to be captured and deposited in the LSRRF, as specified in Section 13(5) of Act 381, under this Plan and any other plan of the DBRA. It may also include funds appropriated or otherwise made available from public or private sources.

The amount of tax increment revenue authorized for capture and deposit in the LBRF is estimated at \$2,431,635. All funds, if any, deposited in the LBRF shall be used in accordance with Section 8 of Act 381.

J. Brownfield Redevelopment Fund (Section 8a; Section 13(2)(m))

The DBRA shall pay to the Department of Treasury at least once annually an amount equal to 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, that are captured under this Plan for up to the first twenty-five (25) years of the duration of capture of tax increment revenues for each eligible property included in this Plan. If the DBRA pays an amount equal to 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, on a parcel of eligible property to the Department of Treasury under Section 13b(14) of Act 381, the percentage of local taxes levied on that parcel and used to reimburse eligible activities for the Project under this Plan shall not exceed the percentage of local taxes levied on that parcel that would have been used to reimburse eligible activities for the Project under this Plan if 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, on that parcel were not paid to the Department of Treasury under Section 13b(14) of Act 381.

K. Developer’s Obligations, Representations and Warrants

The Developer and its affiliates shall comply with all applicable laws, ordinances, executive orders, or other regulations imposed by the City or any other properly constituted governmental authority with respect to the Property and shall use the Property in accordance with this Plan.

The Developer, at its sole cost and expense, shall be solely responsible for and shall fully comply with all applicable federal, state, and local relocation requirements in implementing this Plan.

The Developer represents and warrants that a Phase I Environmental Site Assessment (“ESA”), and if appropriate, a Phase II ESA, baseline environmental assessment, and due care plan, pursuant to Part 201 of Michigan’s Natural Resources and Environmental Protection Act (MCL 324.20101 *et seq.*), have been performed or will be performed on the Property (“Environmental Documents”). Attached hereto as Attachment G is the City of Detroit’s Department of Buildings, Safety Engineering and Environmental acknowledgement of its receipt of the Phase I ESA, and if appropriate, the Phase II ESA.

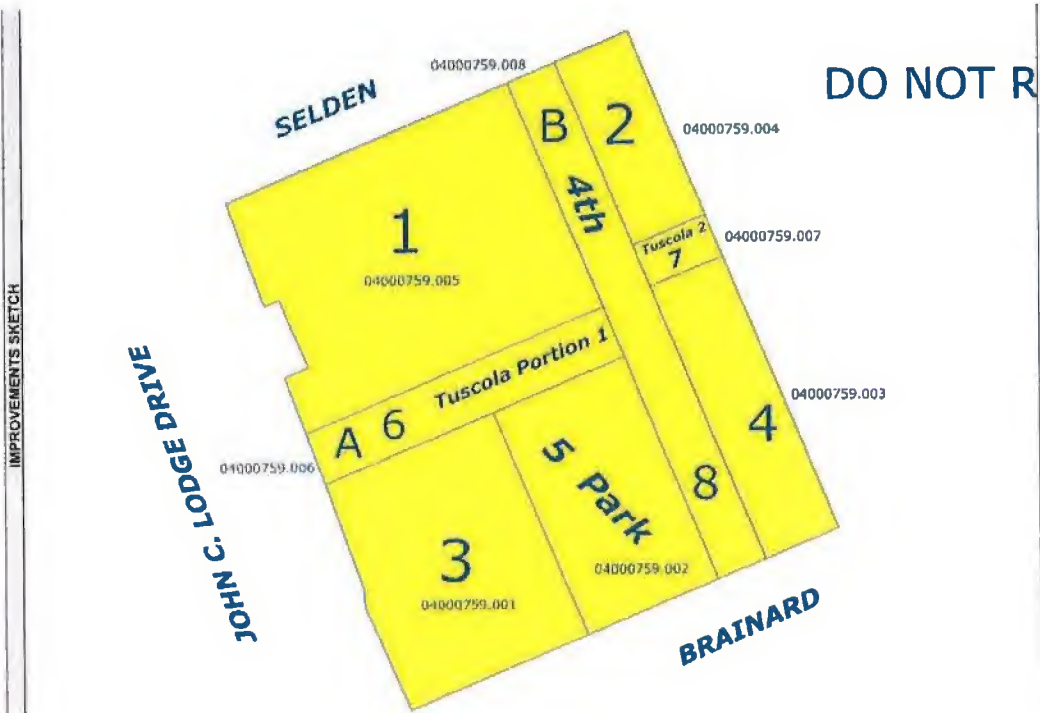
The Developer further represents and warrants that the Project does not and will not include a City of Detroit Land Bank Authority, Wayne County Land Bank Authority or State of Michigan Land Bank financing component.

The Developer has applied or will apply for a property tax abatement with respect to the residential portion of the Property under the Neighborhood Enterprise Zone Act and may apply for a property tax abatement with respect to the commercial component of the Property under the Commercial Redevelopment Act (PA 255 of 1978). If approved, the abatements will reduce the property tax obligations of the Property for the periods applicable under the abatement certificates, thereby reducing the amount of tax increment revenues available pursuant to this Plan.

Except as otherwise agreed to by the DBRA, any breach of a representation or warranty contained in this Plan shall render the Plan invalid, subject to the Developer's reasonable opportunity to cure as described in the Reimbursement Agreement.

III. ATTACHMENTS

Tax Parcels Depiction
(Brownfield Plan includes Parcel 1 area)



ATTACHMENT B

Legal Description of Eligible Property to which the Plan Applies

LAND SITUATED IN THE COUNTY OF WAYNE, CITY OF DETROIT, STATE OF MICHIGAN, IS DESCRIBED AS FOLLOWS:

PARCEL 1

PART OF LOTS 3 THROUGH 7, ALL OF LOTS 8 THROUGH 11, PART OF LOT 12, FORSYTH CONNOR ESTATES AS RECORDED IN LIBER 1 OF PLATS, PAGE 219, WAYNE COUNTY RECORDS, PART OF LOTS 1 THROUGH 9, AND ADJACENT VACATED ALLEYS AND PART OF VACATED TUSCOLA AVENUE, BONSWOR & SCOTT'S SUBDIVISION BLOCK 3 AS RECORDED IN LIBER 3 OF PLATS, PAGE 69, WAYNE COUNTY RECORDS, BEING MORE PARTICULARLY DESCRIBED AS: COMMENCING AT THE NORTHEAST CORNER OF SAID LOT 1 OF BONSWOR & SCOTT'S SUBDIVISION BLOCK 3, THENCE S67°13'00"W 1.50 FEET TO A POINT; THENCE S22°47'00"E 3.00 FEET TO THE POINT OF BEGINNING; THENCE S22°47'00"E ALONG THE WESTERLY RIGHT OF WAY LINE OF FOURTH AVENUE (58 FEET PROPOSED RIGHT OF WAY), 272.50 FEET TO A POINT ON THE NORTHERLY RIGHT OF WAY OF TUSCOLA AVENUE (58 FEET PROPOSED RIGHT OF WAY); THENCE S67°13'00"W ALONG SAID RIGHT OF WAY, 361.98 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY OF JOHN C LODGE DRIVE (VARIABLE WIDTH RIGHT OF WAY); THENCE N20°45'40"W ALONG SAID RIGHT OF WAY, 67.54 FEET TO A POINT; THENCE N67°13'00"E 29.00 FEET TO A POINT ON THE EASTERLY LINE OF SAID LOT 11, FORSYTH CONNOR ESTATES; THENCE N23°26'45"W ALONG SAID EASTERLY LINE OF LOT 11, 82.01 FEET TO THE SOUTHWEST CORNER OF SAID LOT 4; THENCE S67°13'00"W ALONG THE SOUTHERLY LINE OF SAID LOT 3, 18.00 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF SAID JOHN C LODGE DRIVE; THENCE N20°15'52"W ALONG SAID RIGHT OF WAY, 123.12 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF SELDEN STREET (53 FEET PROPOSED RIGHT OF WAY); THENCE N67°13'00"E ALONG SAID RIGHT OF WAY, 344.13 FEET TO THE POINT OF BEGINNING.
AND ALL ADJACENT RIGHTS OF WAY.

ATTACHMENT C

Project Description

The Developer

Behind the Midtown West project is the Procida Development Group. Procida Development Group is the sole managing member of the developing entity, PDH Development Group LLC.

Procida Development Group is a third generation, award winning, real estate development and construction company which develops, builds and markets affordable, market rate and luxury housing.

Over the years, Procida has developed in excess of 4,000 units of housing and several hundred thousand square feet of neighborhood and infill retail, including such noteworthy projects as Melrose Court, a 265 unit affordable condominium and winner of the Pillars of the Industry Award for Best Affordable Housing Development in the Country; Madison Landing, a 73 unit for sale development in Atlantic City and winner of the Governors Housing Award for best urban planning design; The Dillon, an 83 unit AIA Design Award winning condominium located on west 53rd Street in New York; and One Prospect Park, a Brooklyn Buildings Award Winning 96 unit condominium designed by Pritzker Prize winning and world class architect Richard Meier.

Procida prides itself on an organized approach to developing commercial real estate properties, with steps including the Preliminary Schematic Phase, the Feasibility Phase, the Viability Phase, and the Design Phase.

At the helm of the Procida Companies is Mario Procida. Throughout his extensive real estate career, Mario Procida has worked on a wide variety of commercial, residential, retail, and institutional projects – directing his broad experience and unwavering commitment to clients to the creation of value through a combination of reliable, efficient design and quality construction.

As President/CEO of Procida Construction Corp. Manager of various Procida entities, Mr. Procida is responsible for setting the direction and providing operations oversight for the Procida group of companies.

The Project

The Property is part of a larger planned development that consists of an approximately seven acre mixed-use, modern-design complex with for-rent and for-sale residential units, first floor retail, parking and a large public park.

The subject of this Plan, Parcel 1, will consist of a 5 story mixed use building containing approximately 175 apartments consisting of approximately 8 studio apartments, 125 one bedroom apartments, 38 two bedroom apartments and 4 (three bedroom apartments, each with approximately 500 to 1,000 square feet of space, approximately 7,000 square feet of first-floor retail and approximately 149 enclosed parking spaces on the ground level.

During the CBO process, PDH Development Group negotiated deeper affordability with the NAC. The CBO process called for 10% of units to be affordable below 80% of AMI with a variety of income levels down to 40% of AMI.

PDH intends to finance the development in conjunction with MSHDA. As such PDH will be providing deeper affordability than was committed to during the CBO process. PDH will provide 20% of the units affordable below 50% of AMI with levels down to 40% of AMI as agreed to with the NAC. Affordable units will be mixed throughout the building and will be provided in each of the unit types (Studio – 3BR).

The building will also include amenities for the residents, including an over 35,000 second floor landscaped roof deck, gyms and lounges.

The Storm water management system will comply with the Detroit City Council Ordinance and building code. The system is anticipated to feature sub slab piping capable of detaining a 10 year storm which will be slowly released using a controlled flow to the city sewer.

Total investment on Parcel 1 is expected to be over \$55,000,000. An estimated seventy-five (75) construction jobs are expected for the Property. Approximately three (3) permanent jobs are expected to be created at the Property plus an unknown number of commercial/retail jobs will be created by commercial/retail tenants. Approximately 175 households are expected to live at the Property.

The Developer has applied or will apply for a property tax abatement under the Neighborhood Enterprise Zone Act and may apply for a property tax abatement with respect to the commercial component of the Property under the Commercial Redevelopment Act (PA 255 of 1978). If approved, the abatements will reduce the property tax obligations of the Property for the periods applicable under the applicable abatement certificates, thereby reducing the amount of tax increment revenues available pursuant to this Plan.

PROJECT RENDERINGS



Exhibit A
Midtown West
Brownfield Redevelopment Plan



ATTACHMENT D

Supportive Letters



CITY OF DETROIT
PLANNING AND DEVELOPMENT DEPARTMENT

COLERMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVENUE SUITE 808
DETROIT, MICHIGAN 48226
(313) 224-1339 • TTY: 711
(313) 224-1310
WWW.DETROITMI.GOV

September 6, 2019

Ms. Jennifer Kanalos
Authorized Agent
Detroit Brownfield Redevelopment Authority
500 Griswold, Suite 2200
Detroit, Michigan 48226

RE: Midtown West Brownfield Redevelopment Plan

Dear Ms. Kanalos,

The Detroit Brownfield Redevelopment Authority (DBRA) has asked that the Planning and Development Department to review and comment on the Midtown West Brownfield Redevelopment Plan (the "Plan").

PDH Development Group LLC is the project developer ("Developer"). The property in the Plan is located on one parcel in the western portion of the Midtown neighborhood of Detroit and is bounded by Selden Street to the north, the proposed Fourth Avenue to the east, the proposed Tuscola Avenue to the south, and the John C. Lodge Service Drive to the west.

The Plan consists of the construction of a 5-story mixed-use building containing approximately 175 apartments including approximately 8 studios, 125 one-bedroom units, 38 two-bedroom units, and 4 three-bedroom units, and approximately 7,000 square feet of first-floor retail space and an estimated 149 enclosed parking spaces on the ground level. As a result of the Community Benefits Ordinance (CBO) process, approximately 10% of the residential units will be available below 80% of the Area Median Income (AMI) with a variety of income levels down to 40% of AMI. The building will also include amenities for the residents, including an over 35,000 square foot landscaped roof deck on the second floor, gym, and lounges.

The project will develop and fully activate a significant parcel in the western portion of the Midtown neighborhood of Detroit. Total investment is estimated at \$55 million.

The review for this brownfield plan is complete and all comments have been forwarded to the developer. No adverse comments were received. The Planning and Development Department recommends approval of the brownfield plan as submitted.

Sincerely,

Katy Trudeau
Deputy Director
Planning and Development Department

c: B. Vosburg
C. Capler



August 20, 2019

Sarah Pavelko
Director of Real Estate
Detroit Economic Growth Corp.
500 Griswold, Suite 2200
Detroit, MI 48226

RE: Midtown West Parcel 1 Development – Letter of Support

Ms. Pavelko

On behalf of Midtown Detroit, Inc. (MDI), I would like to express our support for the proposed mixed-use development of the Midtown West Development.

The Midtown West Parcel 1 Development will develop a vacant parcel into a 175-unit residential rental property with ground floor retail. This project will incorporate a mix of affordability for households earning less than 80% of the area median income. The addition of the new units will provide needed housing options to an area facing 98% occupancy, and the newly created ground floor neighborhood retail will help anchor the western end of Midtown's Selden corridor while providing continued economic opportunities for Detroiters.

MDI understands that the developer has established a Neighborhood Enterprise Zone and is pursuing Brownfield Tax Increment Reimbursements as part of the overall financing structure for the project. The Brownfield TIF will provide a valuable financial benefit to support the financial viability of the project, which will be a much needed benefit to the surrounding neighborhood.

The development of this site will build upon revitalization efforts taking place in the Midtown West neighborhood and will continue to push the City of Detroit forward. It is for this reason that MDI is pleased to offer its full support for this project. Should you have any questions, please contact me at 313.420.6000.

Sincerely,

A handwritten signature in black ink, appearing to read "Susan T. Mosey".

Susan T. Mosey
Executive Director

ATTACHMENT E

Estimated Cost of Eligible Activities Table

<u>Department Specific Activities (EGLE)</u>	
Phase I, Phase II and BEA	\$ 65,000
Environmental Reporting and Compliance	\$ 50,000
Tipping Fees	\$ 246,296
Environmental Response Activities and Oversight	\$ 50,000
Soil Vapor Mitigation System (pending)	\$ 750,000
No Further Action Report	\$ 25,000
Brownfield Plan and Work Plan Preparation (50%)	\$ 15,000
Brownfield Plan Implementation (50%)	\$ 15,000
Subtotal	\$ 1,216,296
Contingency - 15% (excluding plan preparation)	\$ 177,944
Total Department Specific Activities	\$ 1,394,241
<u>MSF Activities</u>	
Site Preparation - Fence, Demolition / Clearing of Debris	\$ 121,326
Infrastructure Improvements (less tipping fees included above)	\$ 821,204
Infrastructure Improvements: Parking	\$ 988,431
Stormwater Management (less greenfield costs)	\$ 50,000
Brownfield Plan and Work Plan Preparation (50%)	\$ 15,000
Brownfield Plan Implementation (50%)	\$ 15,000
Subtotal	\$ 2,010,961
Contingency - 15% (excluding plan preparation)	\$ 297,144
Total MSF Activities	\$ 2,308,105
Brownfield Eligible Activities	\$ 3,702,346

Estimated Interest	\$ 548,683
DBRA Administrative Fees	\$ 1,205,852
Local Brownfield Revolving Fund	\$ 2,431,635
State Brownfield Redevelopment Fund	\$ 389,197
Total	\$ 8,277,713

ATTACHMENT F

TIF Tables

(See attached)

Midtown West 09/09/19

PDH

MISHDA 40/40

Brownfield TIF Capture Calculation

33% CIP 2.0% per year											
2023 AV/unit \$43,108	Br Plan Year NEZ Year										
	1	2	3	4	5	6	7	8	9	10	11
	1	2	3	4	5	6	7	8	9	10	11
2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Parcel 1 Land Initial Taxable Value											
Parcel 1 Land Estimated New Taxable Value	\$ 1,652,400	\$ 1,685,448	\$ 1,719,157	\$ 1,753,540	\$ 1,788,611	\$ 1,824,383	\$ 1,860,871	\$ 1,898,088	\$ 1,936,050	\$ 1,974,771	\$ 2,014,266
Parcel 1 Land Incremental Taxable Value (Land New TV - Land Initial TV)	\$ 1,652,400	\$ 1,685,448	\$ 1,719,157	\$ 1,753,540	\$ 1,788,611	\$ 1,824,383	\$ 1,860,871	\$ 1,898,088	\$ 1,936,050	\$ 1,974,771	\$ 2,014,266
Parcel 1 Building Initial Taxable Value	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Parcel 1 Building Estimated New TV	\$ 0	\$ 2,078,624	\$ 6,298,860	\$ 6,424,838	\$ 6,553,334	\$ 6,684,401	\$ 6,818,089	\$ 6,954,451	\$ 7,093,540	\$ 7,235,411	\$ 7,380,119
Parcel 1 Building Estimated Incremental Taxable Value	\$ -	\$ 2,078,624	\$ 6,298,860	\$ 6,424,838	\$ 6,553,334	\$ 6,684,401	\$ 6,818,089	\$ 6,954,451	\$ 7,093,540	\$ 7,235,411	\$ 7,380,119
Parcel 1 Total Estimated Incremental Taxable Value	\$ 1,652,400	\$ 3,764,072	\$ 8,018,017	\$ 8,178,378	\$ 8,341,945	\$ 8,508,784	\$ 8,678,960	\$ 8,852,539	\$ 9,029,590	\$ 9,210,182	\$ 9,394,385
School Capture											
State Education Tax (SET)	\$ 9,914	\$ 22,584	\$ 21,794	\$ 22,230	\$ 22,675	\$ 23,128	\$ 23,591	\$ 24,063	\$ 24,544	\$ 25,035	\$ 25,536
School Operating Tax	\$ 29,743	\$ 67,753	\$ 65,383	\$ 66,691	\$ 68,025	\$ 69,385	\$ 70,773	\$ 72,188	\$ 73,632	\$ 75,105	\$ 76,607
School Total	\$ 39,658	\$ 90,338	\$ 87,178	\$ 88,921	\$ 90,700	\$ 92,514	\$ 94,364	\$ 96,251	\$ 98,176	\$ 100,140	\$ 102,143
Local Capture											
City Operating	\$ 32,969	\$ 75,101	\$ 72,474	\$ 73,923	\$ 75,402	\$ 76,910	\$ 78,448	\$ 80,017	\$ 81,617	\$ 83,250	\$ 84,915
Library	\$ 7,652	\$ 17,430	\$ 16,821	\$ 17,157	\$ 17,500	\$ 17,850	\$ 18,207	\$ 18,571	\$ 18,943	\$ 19,322	\$ 19,708
Wayne County Operating	\$ 12,925	\$ 29,443	\$ 28,413	\$ 28,981	\$ 29,561	\$ 30,152	\$ 30,755	\$ 31,370	\$ 31,997	\$ 32,637	\$ 33,290
Huron Clinton Metropolitan Authority	\$ 352	\$ 801	\$ 773	\$ 789	\$ 805	\$ 821	\$ 837	\$ 854	\$ 871	\$ 888	\$ 906
Wayne County ISD	\$ 5,724	\$ 13,040	\$ 12,584	\$ 12,835	\$ 13,092	\$ 13,354	\$ 13,621	\$ 13,893	\$ 14,171	\$ 14,455	\$ 14,744
Wayne County ENH	\$ 3,305	\$ 7,528	\$ 7,265	\$ 7,410	\$ 7,558	\$ 7,709	\$ 7,864	\$ 8,021	\$ 8,181	\$ 8,345	\$ 8,512
Wayne County Community College	\$ 5,355	\$ 12,199	\$ 11,772	\$ 12,007	\$ 12,247	\$ 12,492	\$ 12,742	\$ 12,997	\$ 13,257	\$ 13,522	\$ 13,793
Local Total	\$ 68,282	\$ 155,542	\$ 150,101	\$ 153,103	\$ 156,165	\$ 159,288	\$ 162,474	\$ 165,724	\$ 169,038	\$ 172,419	\$ 175,867
Total Captured School and Local Taxes	\$ 107,939	\$ 245,879	\$ 237,279	\$ 242,024	\$ 246,865	\$ 251,802	\$ 256,838	\$ 261,975	\$ 267,214	\$ 272,559	\$ 278,010
Non-Capturable Millages											
City Debt	\$ 14,872	\$ 30,851	\$ 32,692	\$ 33,345	\$ 34,012	\$ 34,693	\$ 35,387	\$ 36,094	\$ 36,816	\$ 37,552	\$ 38,303
School Debt	\$ 21,461	\$ 30,119	\$ 47,721	\$ 48,166	\$ 49,129	\$ 50,112	\$ 51,114	\$ 52,136	\$ 53,179	\$ 54,242	\$ 55,327
Wayne County DIA	\$ 330	\$ 463	\$ 726	\$ 741	\$ 756	\$ 771	\$ 786	\$ 802	\$ 818	\$ 834	\$ 851
Wayne County Zoo	\$ 165	\$ 232	\$ 363	\$ 371	\$ 378	\$ 385	\$ 393	\$ 401	\$ 409	\$ 417	\$ 426
Total Non-Capturable Taxes	\$ 36,849	\$ 51,665	\$ 81,003	\$ 82,623	\$ 84,275	\$ 85,961	\$ 87,680	\$ 89,434	\$ 91,222	\$ 93,047	\$ 94,908
Total Taxes Paid	\$ 144,788	\$ 297,544	\$ 318,281	\$ 324,647	\$ 331,140	\$ 337,763	\$ 344,518	\$ 351,408	\$ 358,436	\$ 365,605	\$ 372,917

26.6150

87.6227

Midtown West 09/09/19

PDH

MSHDA 40/40

Brownfield TIF Capture Calculation

2023 AV/unit \$43,108		12	13	14	15	16	17	18	19	20	21
		10	11	12	13	14	15				
		NEZ phase out				NEZ phase out		NEZ phase out		NEZ phase out	
		2032				2035		2036		2037	

[illegible]

ATTACHMENT G

BSE&E Acknowledgement and Other Environmental Documents

[See attached]

TO: THE DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY

FROM: DETROIT, BUILDINGS, SAFETY ENGINEERING, AND
ENVIRONMENTAL DEPARTMENT

PROJECT: PDH DEVELOPMENT GROUP LLC/ MIDTOWN WEST PROJECT

DATE: September 10, 2019

The undersigned, from the City of Detroit, Buildings, Safety Engineering, and Environmental Department acknowledges the receipt of the environmental documents listed below, which have been submitted by ASTI Environmental on behalf of PDH Development Group, LLC, as developer, as part of its Brownfield Plan submittal to the Detroit Brownfield Redevelopment Authority (DBRA), for the Midtown West Project.

- 1 Phase I Environmental Site Assessment, pursuant to USEPA's. All Appropriate Inquiry using American Society of Testing Materials (ASTM) Standard E 1527-13
- Phase II Environmental Site Assessment, pursuant to ASTM Standard 1903 (if appropriate)
- 1 Baseline Environmental Assessment, pursuant to Part 201 of Michigan's Natural Resources and Environmental Protection Act, MCL 324.20101 *et seq.* (if appropriate).
- Due Care Plan, pursuant to Part 201 of Michigan's Natural Resources and Environmental Protection Act, MCL 324.20101 *et seq.* (if appropriate).

Based upon its review of the above environmental documents and the representations of the developer, the City of Detroit, Buildings, Safety Engineering, and Environmental Department agrees with the environmental consultant that the site is a facility and has determined that the documents received for this project satisfy the DBRA Guidelines.

City of Detroit, Buildings, Safety
Engineering, and Environmental
Department

By: Paul J. Mays

Its: General Manager

EGLE Confirmation of Facility Status

From: Schlaufman, Jeanne (EGLE) <SCHLAUFMANJ1@michigan.gov>
Sent: Thursday, August 8, 2019 7:57 PM
To: Barr, Richard A.
Cc: 'Brian Kuberski'; Bakun, Michelle (EGLE); BVosburg@DEGC.ORG; 'Peter Procida'
Subject: RE: 931 Selden, Detroit

Yes, the data presented in the RespAP indicates the property is a facility.

Jeanne

Jeanne Schlaufman

Environmental Quality Specialist

RRD/Warren District Office

Michigan Department of Environment, Great Lakes and Energy

586-753-3823 | Schlaufmanj1@michigan.gov

Follow Us | [Michigan.gov/EGLE](https://michigan.gov/EGLE)

ATTACHMENT H

City of Detroit

CITY COUNCIL

COUNCIL PRESIDENT BRENDA JONES

INCENTIVE INFORMATION CHART:

Project Type		Incentive Type		Investment Amount		District	
Mixed Use New Construction		NEZ & Brownfield TIF		\$55,000,000		5	
Jobs Available							
Construction				Post Construction			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
3 -5	20 – 30	75 – 80	110-150	0	3- 4	0	4

(post-construction jobs will be with an unrelated property management company)

1. What is the plan for hiring Detroiters?

- Subcontractor selection for the Project (as defined in this Plan) shall include a prequalification assessment prior to bidding. As part of the prequalification process, evaluation of geographic location of the business and their associated staff assigned to the Project will occur along with capacity assessment, relevant work experience, financial standing, and insurance and performance qualifications. It is the team's goal to provide local subcontracts that are qualified with the opportunity to participate within the Project based on a qualified and competitive process.

2. Please give a detailed description of the jobs available as listed in the above chart, i.e: job type, job qualifications, etc.

- Construction related jobs shall include, but not limited to; skilled trades such as carpentry, electrical, mechanical, plumbing, finish work (painting, flooring and millwork), building faade and enclosure work. These jobs shall be provided via subcontractors

selected to the project team. In addition to subcontract related positions, general labor positions will be available as well. Qualifications are subject to the individual business hiring requirements. A contact name and information shall be provided for inquiries.

- Post construction jobs will be related to building maintenance and operations

3. Will this development cause any relocation that will create new Detroit residents?

- We believe a portion of the new residents will be new to Detroit.

4. Has the developer reached out to any community groups to discuss the project and/or any potential jobs?

- The developer held a lengthy voluntary community benefits process in accordance with the Community benefits ordinance. At the conclusion of this process the developer signed a community benefits agreement.
- While specific conversations related to jobs have not occurred the developer, in accordance with its contractor intends to comply with the local laws requiring the hiring of Detroiters.
- As the developer is not hiring any employees directly, it will rely on its contractors, specifically its general contractor to implement a hiring plan.

5. When is construction slated to begin?

- Construction is slated to begin in March 2020

6. What is the expected completion date of construction?

- Construction is estimated to take approximately 24 months and be completed in March 2022

***Please contact Linda Wesley at (313) 628-2993 or wesleyl@detroitmi.gov to schedule a date to attend the Skilled Trades Task Force.**

Exhibit B



September 11, 2019

The Honorable City Council
City of Detroit
Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1340
Detroit, Michigan 48226

City of Detroit Brownfield Redevelopment Authority
Board of Directors
500 Griswold Street, Suite 2200
Detroit, Michigan 48226

Re: Recommendation for Approval of the Midtown West Brownfield Redevelopment Plan

Honorable Members of the Detroit City Council and the City of Detroit Brownfield Redevelopment Authority Board of Directors:

In accordance with the resolution of the Detroit City Council creating the City of Detroit Brownfield Redevelopment Authority (the "Authority"), the Community Advisory Committee, at its meeting of September 11, 2019, adopted a resolution approving the proposed Brownfield Plan for the Midtown West Redevelopment and recommending adoption of this Brownfield Plan by the Authority and City Council.

Please accept this letter of recommendation for approval from the Community Advisory Committee on the Brownfield Plan for the Midtown West Redevelopment.

Very truly yours,

By:

Allen Rawls, Chairperson
Community Advisory Committee to the City of Detroit
Brownfield Redevelopment Authority



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
MINUTES OF THE
REGULAR COMMUNITY ADVISORY COMMITTEE MEETING
WEDNESDAY, SEPTEMBER 11, 2019 -- 5:00 PM
AT DEGC OFFICES
500 GRISWOLD, SUITE 2200
DETROIT, MI**

**COMMITTEE MEMBERS
PRESENT:**

Rick Blocker
Kamal Cheeks
Dr. Regina Randall
Allen Rawls
Rico Razo
Simone Sagovac

**COMMITTEE MEMBERS
ABSENT:**

Michelle Lee
Brad Lutz
Sandra Stahl

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Benecia Cousin (URGE)
George N'Namdi (N'Namdi Holdings)
Aamir Farooqi (Banyan)
Elizabeth Masserang (PM Environmental)
Peter Procida (Procida)
Mario Procida (Procida)
Kate Humphrey (City of Detroit, HRD)
Jared Fleisher (Bedrock)
Richard Barr (Honigman)
Gage Minkley (Bedrock)



Call to Order

Mr. Rawls, Chairperson, called the meeting to order at 5:12 p.m.

General

Approval of Minutes

Mr. Rawls called for approval of the minutes of the August 28, 2019 (resolution) DBRA-CAC meeting. The Committee took the following action:

On a motion by Mr. Blocker, seconded by Mr. Razo, DBRA-CAC Resolution Code 19-09-02-144, approving the August 28, 2019 CAC minutes, as presented, was unanimously approved.

Brownfield Plan for Midtown West

Mr. Vosburg introduced the Brownfield Plan for Midtown West to the CAC members present.

Project Introduction

PDH Development Group LLC is the project developer (the "Developer") for the Plan which entails the construction of a five-story mixed-use development on the Property. The redevelopment is planned to consist of approximately 7,000 square feet of first floor commercial-use with an estimated 175 residential units on the floors above including approximately 8 studios, 125 one-bedroom units, 38 two-bedroom units, and 4 three-bedroom units, and an estimated 149 enclosed parking spaces on the ground level. As a result of the Community Benefits Ordinance (CBO) process, approximately 10% of the residential units will be available below 80% of the Area Median Income (AMI) with a variety of income levels down to 40% of AMI. The building will also include amenities for the residents, including an over 35,000 square foot landscaped roof deck on the second floor, gym, and lounges. The Property is presently vacant with no structures.

The total investment is estimated to be \$55 million. The Developer is requesting \$4,251,029.00 in TIF reimbursement.

There will be 208-265 temporary construction jobs and 4 FTE jobs. The 4 FTE jobs will be related to property management.

Property Subject to the Plan

The eligible property (the "Property") consists of one (1) parcel in the western portion of the Midtown neighborhood of Detroit and is bounded by Selden Street to the north, the proposed Fourth Avenue to the east, the proposed Tuscola Avenue to the south, and the John C. Lodge Service Drive to the west.

Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) it was previously utilized for a commercial purpose and/or public purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) it is a facility under Part 201 due to the presence of arsenic, benzo(a)pyrene, benzo(b)fluoranthene and dibenzo(a,h)anthracene in soil and fill.

Eligible Activities and Projected Costs

The "eligible activities" that are intended to be carried out at the Property are considered "eligible activities" as defined by Sec 2 of Act 381, because they include baseline environmental assessment activities, department specific activities, additional response activities, site preparation, infrastructure improvements, development and preparation of a brownfield plan and work plan, brownfield plan implementation. The eligible activities and budgeted costs are intended as part of the development of the Property and will be

financed solely by the Developer. The Authority is not responsible for any costs of eligible activities and will incur no debt. The eligible activities are estimated to commence within 18 months of approval of the Plan and be completed within 4 years.

Tax Increment Financing (TIF) Capture

The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property after approval of this Plan pursuant to the terms of a Reimbursement Agreement with the DBRA.

COSTS TO BE REIMBURSED WITH TIF

1. Environmental Assessment Activities	\$65,000.00
2. Environmental Reporting and Compliance	\$50,000.00
3. Department Specific Activities	\$246,296.00
4. Vapor Mitigation System	\$750,000.00
5. Environmental Response Activities and Oversight	\$50,000.00
6. No Further Action Report	\$25,000.00
7. Infrastructure Improvements (including Parking)	\$1,809,635.00
8. Site Preparation	\$121,326.00
9. Storm Water Management	\$50,000.00
10. Brownfield Plan & Work Plan Preparation and Implementation	\$60,000.00
11. Contingency (15%)	\$475,088.00
12. Interest	\$548,683.00
Total Reimbursement to Developer	\$4,251,029.00
13. Authority Administrative Costs	\$1,205,852.00
14. State Brownfield Redevelopment Fund	\$389,197.00
15. Local Brownfield Revolving Fund	\$2,431,635.00
TOTAL Estimated Costs	\$8,277,713.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the DBRA from the Property shall be governed by the terms of the Reimbursement Agreement.

Other Incentives

The Developer is seeking additional incentives, which will include local and/or state approval of a Commercial Rehabilitation Act PA 210 Tax Abatement and Neighborhood Enterprise Zone PA 147 Tax Abatement.

Attached for the CAC's review and approval were three (3) resolutions: 1.) a resolution supporting the Plan in the event the Committee does not deem it necessary to conduct a CAC public hearing and 2.) a resolution authorizing a public hearing in the project area and 3.) a resolution authorizing a public hearing in the project area and to appoint up to two special CAC members. The public hearing may be held jointly with any public hearing conducted by the Detroit Brownfield Redevelopment Authority.

Mr. Procida provided more information on the project including the size and location of the Property, the plans to extend 4th Street and Tuscola Street and to construction of a one-acre park, the phases for the project including the planned condominium units which are not part of the Plan, the architect for the project, Daniel Libeskind, and his experience including his past teaching at the Cranbrook Academy of Art, there will be three residential entrances for the development and the parking will be located on the first floor of the development with an outdoor courtyard above on the second floor of the project, and that there will be 20% (or 37) of the residential units available at 40% and 50% of the Area Median Income (AMI).

Mr. Razo asked for clarification on the location of the parking. Mr. Procida stated that the parking is located in the interior of the development on the first floor.

Mr. Cheeks asked how much the condominium units will be available for. Mr. Procida stated that the one-bedroom condominium units will be available for approximately \$400,000.

Mr. Procida stated that the City of Detroit will begin construction on the roads in September 2019 and will finish the road construction in the spring and the Developer will start construction on the condominium units in the fall of 2019 and will begin construction on the rental residential units in the spring of 2020.

Mr. Blocker asked if there is a requirement for selling a certain number of the condominium units. Mr. Procida stated that there will not be any condominium units available for presale and that the sale of the condominium units will be available after construction has been started.

Ms. Sagovac asked if there have been any tenants identified for the retail space in the development. Mr. Procida stated that there have not been any tenants identified for the retail space in the development, but the retail spaces will likely be neighborhood-based such as a convenience store or food service and the developer may work with the Motor City Match program to identify potential tenants.

Mr. Razo asked why the rooftop space in the development will not have any amenities. Mr. Procida stated that the interior courtyard is a significant size and will provide enough outdoor space for the residents.

Mr. Rawls asked if there will be any stormwater management features in the development. Mr. Procida stated that there will be underground retention for stormwater as part of the development.

Mr. Rawls asked what material the façade will be made of. Mr. Procida stated that the façade will most likely be made of EIFS which provides exterior walls with an insulated, water-resistant, finished surface.

Mr. Rawls called for a motion recommending approval of the Brownfield Plan for Midtown West.

Mr. Razo motioned to recommend approval of the Brownfield Plan for Midtown West without a CAC public hearing and without appointing special members. Ms. Sagovac seconded the motion. DBRA-CAC Resolution Code 19-09-276-01, recommending approval of the Brownfield Plan for Midtown West was unanimously approved.



**MINUTES OF THE
DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
PUBLIC HEARING FOR THE**

**MIDTOWN WEST
BROWNFIELD REDEVELOPMENT PLAN**

**Tuesday, September 24, 2019
Midtown Detroit, Inc.
3939 Woodward Ave., #100
Detroit, MI 48201
5:30 PM**

In attendance were:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Peter Procida (PDH Development Group)
Richard Barr (Honigman)
Sue Mosey (Midtown Detroit, Inc.)
Joshua Moss (Advance Plumbing)
Matt O'Laughlin (Alexander Real Estate Detroit)
Kate Humphrey (City of Detroit, HRD)
Michael Ferlito (Resident)
Jessa Blawt (Resident, Member of NAC)
Ray Smith

Mr. Vosburg called the public hearing to order at 5:30 PM.

Mr. Vosburg informed the hearing of the tax increment financing request per the Brownfield Plan, including the eligible activities included, and provided an overview of the project.

Mr. Procida provided details and answered questions regarding the redevelopment plan for the project and answered questions regarding the planned parking structure and its availability to residents and the public, anticipated retail tenants, the levels of affordability for the residential units, compliance with applicable Executive Orders, anticipated start of construction, the financing for the project, the plans for public greenspace, and changes to the design since the Neighborhood Advisory Committee last met.

Paper copies of the Brownfield Plan and renderings for the project were provided.

Two people stated their support for the project and one person present indicated their support for the project on the sign-in sheet. There were no comments received in opposition of the project.

Mr. Vosburg closed the public hearing at 6:10 PM.

Exhibit C



CODE DBRA 19-09-276-02

MIDTOWN WEST BROWNFIELD REDEVELOPMENT PLAN

WHEREAS, pursuant to 381 PA 1996, as amended ("Act 381"), the City of Detroit Brownfield Redevelopment Authority (the "DBRA") has been established by resolution of the City Council of the City of Detroit (the "City Council") for the purpose of promoting the revitalization of environmentally distressed areas in the City of Detroit; and

WHEREAS, under Act 381 the DBRA is authorized to develop and propose for adoption by City Council a brownfield plan for one or more parcels of eligible property; and

WHEREAS, in accordance with the policies, procedures and bylaws governing the DBRA, the DBRA has submitted a proposed Brownfield Plan for the **Midtown West Redevelopment Project** (the "Plan") to the Community Advisory Committee for its consideration and comment and has solicited comments by the public by publication of notice stating that the proposed Plan has been submitted to the Community Advisory Committee and by conducting a public hearing in the area to which the proposed Plan applies; and

WHEREAS, the Community Advisory Committee has considered the proposed Plan and approved a resolution recommending the approval of the proposed Plan by the DBRA and the City Council as presented by the DBRA; and

WHEREAS, in accordance with the provisions of Act 381, the Board of Directors of the DBRA has considered the proposed Plan and desires to approve the proposed Plan and to request that City Council call a public hearing to consider and adopt a resolution approving the proposed Plan.

NOW, THEREFORE, BE IT RESOLVED:

1. The Board of Directors of the DBRA has determined that the adoption of the Brownfield Plan for the **Midtown West Redevelopment Project** is in keeping with the purposes of Act 381 and recommends submittal of the Plan to City Council for approval.
2. The Board of Directors of the DBRA approves the Plan substantially in the form attached hereto and on file with the Secretary of the DBRA.
3. Any Authorized Agent of the DBRA is authorized and directed to submit a certified copy of this Resolution and the Plan to the City Clerk, together with a request that the City Council call a public hearing concerning the Plan and to take all other actions required to approve the Plan in accordance with Act 381.
4. That any one of the officers and any one of the Authorized Agents of the DBRA or any two of the Authorized Agents of the DBRA shall hereafter have the authority to negotiate and execute all documents, contracts, or other papers, and take such other actions, necessary or appropriate to implement the provisions and intent of this Resolution on behalf of the DBRA.

5. That all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

6. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

September 25, 2019

EXHIBIT D

RESOLUTION CALLING A PUBLIC HEARING REGARDING
APPROVAL OF THE BROWNFIELD PLAN OF THE
CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FOR THE MIDTOWN WEST REDEVELOPMENT

The following preamble and resolution were offered by Member _____ and supported by Member _____:

WHEREAS, the City of Detroit, County of Wayne, Michigan (the "City") is authorized by the provisions of Act 381, Public Acts of Michigan, 1996 ("Act 381"), to create a brownfield redevelopment authority; and

WHEREAS, pursuant to Act 381, the City Council of the City duly established the City of Detroit Brownfield Redevelopment Authority (the "Authority"); and

WHEREAS, in accordance with the provisions of Act 381, the Authority has prepared a Brownfield Plan for the Midtown West Redevelopment (the "Plan") and submitted the Plan to the Community Advisory Committee for review and comment; and

WHEREAS, after receipt of the recommendation of the Community Advisory Committee to approve the, the Authority has approved the Plan and forwarded it to City Council with a request for its approval; and

WHEREAS, prior to approval of the Plan, the City Council is required to hold a public hearing in connection with consideration of the Plan pursuant to Act 381.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby acknowledges receipt of the Plan from the Authority.

2. A public hearing is hereby called on Thursday, the 14th day of November, 2019 at 10:25 AM, prevailing Eastern Time, in the Council Chambers, 13th Floor of the Coleman A. Young Municipal Center in the City to consider adoption by the City Council of a resolution approving the Plan.

3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

4. The City Clerk is requested to submit three (3) certified copies of this resolution to the DBRA, 500 Griswold Street, Suite 2200, Detroit, MI 48226.

AYES: Members _____

NAYS: Members _____

RESOLUTION DECLARED ADOPTED.

WAIVER OF RECONSIDERATION

Janice Winfrey, City Clerk
City of Detroit
County of Wayne, Michigan

**RESOLUTION APPROVING BROWNFIELD PLAN
OF THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FOR THE MIDTOWN WEST REDEVELOPMENT PROJECT**

City of Detroit
County of Wayne, Michigan

WHEREAS, pursuant to 381 PA 1996, as amended ("Act 381"), the City of Detroit Brownfield Redevelopment Authority ("Authority") has been established by resolution of the City Council of the City of Detroit (the "City") for the purpose of promoting the revitalization of eligible properties in the City; and

WHEREAS, under Act 381 the Authority is authorized to develop and propose for adoption by City Council a brownfield plan for one (1) or more parcels of eligible property; and

WHEREAS, pursuant to the resolution establishing the Authority and the bylaws of the Authority, the Authority has submitted a proposed Brownfield Plan for the Midtown West Redevelopment Project (the "Plan"); and

WHEREAS, the Authority submitted the Plan to the Community Advisory Committee for consideration on September 11, 2019, per the provisions of the resolution establishing the Authority, and a public hearing was conducted by the Authority on September 24, 2019 to solicit comments on the proposed Plan; and

WHEREAS, the Community Advisory Committee recommended approval of the Plan on September 11, 2019; and

WHEREAS, the Authority approved the Plan on September 25, 2019 and forwarded it to the City Council with a request for its approval of the Plan; and

WHEREAS, the required notice of the public hearing on the Plan was given in accordance with Section 13 of Act 381; and

WHEREAS, the City Council held a public hearing on the proposed Plan on November 14, 2019.

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. Definitions. Where used in this Resolution the terms set forth below shall have the following meaning unless the context clearly requires otherwise:

"Eligible Activities" or "eligible activity" shall have the meaning described in Act 381.

"Eligible Property" means the property designated in the Plan as the Eligible Property, as described in Act 381.

"Plan" means the Plan prepared by the Authority, as transmitted to the City Council by the Authority for approval, copies of which Plan are on file in the office of the City Clerk.

"Taxing Jurisdiction" shall mean each unit of government levying an ad valorem property tax on the Eligible Property.

2. Public Purpose. The City Council hereby determines that the Plan constitutes a public purpose.

3. Best Interest of the Public. The City Council hereby determines that it is in the best interests of the public to promote the revitalization of environmentally distressed areas in the City to proceed with the Plan.

4. Review Considerations. As required by Act 381, the City Council has in reviewing the Plan taken into account the following considerations:

(a) Portions of the property designated in the Plan meets the definition of Eligible Property, as described in Act 381, including consideration of the criteria of "facility" as defined in Act 381;

(b) The Plan meets the requirements set forth in section 13 of Act 381.

(c) The proposed method of financing the costs of eligible activities is feasible and the Authority has the ability to arrange the financing.

(d) The costs of eligible activities proposed are reasonable and necessary to carry out the purposes of Act 381.

(e) The amount of captured taxable value estimated to result from adoption of the Plan is reasonable.

5. Approval and Adoption of Plan. The Plan as submitted by the Authority is hereby approved and adopted. A copy of the Plan and all amendments thereto shall be maintained on file in the City Clerk's office.

6. Preparation of Base Year Assessment Roll for the Eligible Property.

(a) Within 60 days of the adoption of this Resolution, the City Assessor shall prepare the initial Base Year Assessment Roll for the Eligible Property in the Plan. The initial Base Year Assessment Roll shall list each Taxing Jurisdiction levying taxes on the Eligible Property on the effective date of this Resolution and the amount of tax revenue

derived by each Taxing Jurisdiction from ad valorem taxes on the Eligible Property, excluding millage specifically levied for the payment of principal and interest of obligations approved by the electors or obligations pledging the unlimited taxing power of the local governmental unit.

(b) The City Assessor shall transmit copies of the initial Base Year Assessment Roll to the City Treasurer, County Treasurer, Authority and each Taxing Jurisdiction which will have Tax Increment Revenues captured by the Authority, together with a notice that the Base Year Assessment Roll has been prepared in accordance with this Resolution and the Plan approved by this Resolution.

7. Preparation of Annual Base Year Assessment Roll. Each year within 15 days following the final equalization of the Eligible Property, the City Assessor shall prepare an updated Base Year Assessment Roll. The updated Base Year Assessment Roll shall show the information required in the initial Base Year Assessment Roll and, in addition, the Tax Increment Revenues for each Eligible Property for that year. Copies of the annual Base Year Assessment Roll shall be transmitted by the Assessor to the same persons as the initial Base Year Assessment Roll, together with a notice that it has been prepared in accordance with the Plan.

8. Establishment of Project Fund; Approval of Depositary. The Authority shall establish a separate fund for the Eligible Property subject to this Plan, which shall be kept in a depositary bank account or accounts in a bank or banks approved by the Treasurer of the City. All moneys received by the Authority pursuant to the Plan shall be deposited in the Project Fund for the Eligible Property. All moneys in the Project Fund and earnings thereon shall be used only in accordance with the Plan and Act 381.

9. Use of Moneys in the Project Fund. The moneys credited to the Project Fund and on hand therein from time to time shall be used annually to first make those payments authorized by and in accordance with the Plan and any development agreement governing such payments and then to the Local Brownfield Revolving Fund, as authorized by Act 381:

10. Return of Surplus Funds to Taxing Jurisdictions. The Authority shall return all surplus funds not deposited in the Local Brownfield Revolving Fund proportionately to the Taxing Jurisdictions.

11. Payment of Tax Increment Revenues to Authority. The municipal and the county treasurers shall, as ad valorem and specific local taxes are collected on the Eligible Property, pay the Tax Increment Revenues to the Authority for deposit in the Project Fund. The payments shall be made not more than 30 days after the Tax Increment Revenues are collected.

12. Disclaimer. By adoption of this Resolution and approval of the Plan, the City assumes no obligation or liability to the owner, developer, lessee or lessor of the Eligible Property for any loss or damage that may result to such persons from the adoption

of this Resolution and Plan. The City makes no guarantees or representations as to the ability of the Authority to capture tax increment revenues from the State and local school district taxes for the Plan.

13. Repealer. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

14. The City Clerk is requested to submit four (4) certified copies of this Resolution to the DBRA, 500 Griswold Street, Suite 2200, Detroit, MI 48226

AYES: Members

NAYS: Members

RESOLUTION DECLARED ADOPTED.

Janice Winfrey, City Clerk
City of Detroit
County of Wayne, Michigan

WAIVER OF RECONSIDERATION IS REQUESTED

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Detroit, County of Wayne, State of Michigan, at a regular meeting held on _____, 2019, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Janice Winfrey, City Clerk
City of Detroit
County of Wayne, Michigan



October 24, 2019

Honorable City Council
City of Detroit
1340 Coleman A. Young Municipal Center
Detroit, Michigan 48226

Re: Mosaic Eastern Market Brownfield Redevelopment Plan

Dear Honorable Council Members:

The enclosed Brownfield Plan for the Mosaic Eastern Market Redevelopment Project (the "Plan") (Exhibit A), was submitted by the Detroit Brownfield Redevelopment Authority Board (the "DBRA") and to the Community Advisory Committee (the "CAC"). The Plan was considered and reviewed by the CAC at its October 9, 2019 meeting and a public hearing was held by the DBRA on October 17, 2019 to solicit public comments. The Committee's communication to the City Council and the DBRA, dated October 17, 2019 (Exhibit B), recommending approval of the Plan, including the excerpt of the minutes of the CAC meeting pertaining to the plan and the minutes the public hearing held by the DBRA, are enclosed for the City Council's consideration.

On October 23, 2019, the DBRA adopted a resolution (Exhibit C) approving the Plan and authorizing the submission of a copy of its resolution and the Plan to the City Clerk, together with a request that the Detroit City Council call a public hearing concerning the Plan and to take all other actions to approve the Plan in accordance with Act 381.

The Plan is now presented to the City Council for approval. The Detroit City Council will, after publication of the notices, hold a public hearing on the Plan. After the public hearing, the City Council shall determine whether the Plan constitutes a public purpose and, if so, may approve or reject the Plan or approve it with modifications.

Project Introduction

Riopelle Market Development LP is the project developer (the "Developer") for the Plan which entails the renovation of the existing 105,544 square foot building into an adaptive mixed-use collective that will contain Eastern Market Corporation's accelerator/commissary facility for food entrepreneurs, along with an eclectic mix of food and creative related business tenants. The existing 2,000 square foot building will be demolished and the vacant area surrounding it will be converted into a parking lot, which will accommodate approximately 370 onsite parking spaces. The renovated building will be known as Mosaic Eastern Market and will feature approximately 66,910 square feet of flexible commercial/office space, approximately 12,235 square feet of food accelerator space, approximately 16,680 square feet of restaurant space, and approximately 16,977 square feet of green energy generation with the installation of an estimated 3,355 panel solar array on the roof.

The total investment is estimated to be \$22 million. The Developer is requesting \$6,059,937.00 in TIF reimbursement.

There will be 260 temporary construction jobs and 450 FTE jobs. The 450 FTE job will largely depend on the tenants, but may include: office personnel, restaurant staff, custodial staff, food processing specialists, distillery and/or brewery operators and production line staff.

Property Subject to the Plan

The eligible property (the "Property") consists of one (1) parcel located at 3500 Riopelle in Detroit's Eastern Market district, bounded loosely by Riopelle Street to the west, Hale Street to the north, Orleans Street to the east, and Erskine Street to the south.

Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) the Property was previously utilized for a commercial purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is determined to be a "facility," as defined by Act 381.

Eligible Activities and Projected Costs

The "eligible activities" that are intended to be carried out at the Property are considered "eligible activities" as defined by Sec 2 of Act 381, because they include Environmental Assessment and BEA Activities, Due Care Compliance Activities, Response Activities, Demolition, Lead and Asbestos Abatement, Site Preparation, Public and Private Infrastructure Improvements, and the preparation and implementation of a brownfield plan and Act 381 work plan. The eligible activities and budgeted costs are intended as part of the development of the Property and will be financed solely by the Developer. The Authority is not responsible for any costs of eligible activities and will incur no debt. The eligible activities are estimated to commence within 18 months of approval of the Plan and be completed within 3 years.

Tax Increment Financing (TIF) Capture

The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property after approval of this Plan pursuant to the terms of a Reimbursement Agreement with the DBRA.

COSTS TO BE REIMBURSED WITH TIF

1. Environmental Assessment and BEA Activities	\$109,570.00
2. Due Care Compliance Activities	\$1,067,500.00
3. Demolition	\$1,189,581.00
4. Asbestos and Lead Activities	\$265,000.00
5. Infrastructure Improvements	\$1,027,000.00
6. Site Preparation	\$263,424.00
7. Brownfield Plan & Work Plan Preparation and Implementation	\$37,500.00
8. Contingency (15%)	\$513,045.00
9. Interest	\$1,587,317.00
Total Reimbursement to Developer	\$6,059,937.00
10. Authority Administrative Costs	\$1,291,536.00
11. State Brownfield Redevelopment Fund	\$324,620.00
12. Local Brownfield Revolving Fund	\$934,146.00
TOTAL Estimated Costs	\$8,610,239.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the DBRA from the Property shall be governed by the terms of the Reimbursement Agreement.

Honorable City Council
October 24, 2019
3

Other Incentives

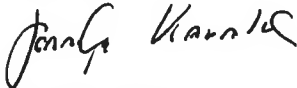
The Developer is seeking additional incentives, which will include local and/or state approval of an Obsolete Property Rehabilitation Act (PA 146) Abatement.

DBRA's Request

The DBRA is respectfully requesting the following actions from the City Council:

- a.) October 29, 2019
City Council adoption of the Resolution (Exhibit D), setting the Mosaic Eastern Market Brownfield Redevelopment Plan public hearing, as approved by the Planning and Economic Development Standing Committee Chair and the City of Detroit Clerk, for October 31, 2019 at 10:25 AM in the Council Chambers, 13th Floor of the Coleman A. Young Municipal Center, located at 2 Woodward Avenue, Detroit, Michigan.
- b.) October 31, 2019, 10:05 AM
Discussion with taxing jurisdictions regarding the fiscal impact of the Plan.
- c.) October 31, 2019, 10:25 AM
Public Hearing at City Council's Planning and Economic Development Standing Committee concerning the Mosaic Eastern Market Brownfield Redevelopment Plan.
- d.) November 5, 2019
City Council adoption of the Resolution approving the Mosaic Eastern Market Brownfield Redevelopment Plan (Exhibit E).

Sincerely,



Jennifer Kanalos
Authorized Agent

- c City Clerk
Marcel Todd
Irvin Corley, Jr.
David Whitaker
Derrick Headd
Marcel Hurt
DeAndree Watson
Kevin Johnson
Malinda Jensen
Matthew Walters
Allen Rawls
Brian Vosburg
Stephanie Washington

EXHIBIT A

CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY

BROWNFIELD PLAN FOR THE MOSAIC EASTERN MARKET REDEVELOPMENT PROJECT

Prepared by:

Riopelle Market Development LP
535 Griswold Street, Suite 111
Detroit, Michigan 48226
Contact Person: Malik Goodwin
Phone: 313-423-4154

AKT Peerless Environmental
333 West Fort Street
Suite 1410
Detroit, MI 48226
Contact Person: Kirstie Hardy
Phone: (248) 227-6579

October 3, 2019

**CITY OF DETROIT
BROWNFIELD REDEVELOPMENT AUTHORITY
BROWNFIELD PLAN**

TABLE OF CONTENTS

I.	INTRODUCTION	I-1
II.	GENERAL PROVISIONS	
	A. Description of Eligible Property	II-2
	B. Basis of Eligibility	II-3
	C. Summary of Eligible Activities	II-3
	D. Estimate of Captured Taxable Value and Tax Increment Revenues; Impact of Tax Increment Financing on Taxing Jurisdictions	II-5
	E. Plan of Financing; Maximum Amount Of Indebtedness	II-6
	F. Duration of Plan	II-6
	G. Effective Date of Inclusion	II-7
	H. Displacement/Relocation of Individuals On Eligible Property	II-7
	I. Local Brownfield Revolving Fund (LBRF)	II-7
	J. Brownfield Redevelopment Fund	II-8
	K. Developer's Obligations, Representations and Warrants	II-8
III.	ATTACHMENTS	
	A. Site Map	A
	B. Legal Description(s)	B
	C. Project Description	C
	D. Supportive Letters	D

E. Estimated Cost of Eligible Activities	E
F. TIF Tables	F
G. BSE&E Acknowledgement and Other Environmental Documents	G
H. Incentive Chart	H

I. INTRODUCTION

In order to promote the revitalization of environmentally distressed and blighted areas within the boundaries of the City of Detroit, Michigan (the “City”), the City has established the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) pursuant to Michigan Public Act 381 of 1996, as amended (“Act 381”).

The primary purpose of this Brownfield Plan (“Plan”) is to promote the redevelopment of and private investment in certain “brownfield” properties within the City. Inclusion of property within this Plan will facilitate financing of environmental response and other eligible activities at eligible properties, and will also provide tax incentives to eligible taxpayers willing to invest in revitalization of eligible sites, commonly referred to as “brownfields.” By facilitating redevelopment of brownfield properties, this Plan is intended to promote economic growth for the benefit of the residents of the City and all taxing units located within and benefited by the DBRA.

This Plan is intended to apply to the eligible property identified in this Plan and, if tax increment revenues are proposed to be captured from that eligible property, to identify and authorize the eligible activities to be funded by such tax increment revenues.

This Plan is intended to be a living document, which may be modified or amended in accordance with the requirements of Act 381, as necessary to achieve the purposes of Act 381. A subsequent change to the identification or designation of the developer after the approval of this Plan by the governing body shall not necessitate an amendment to the Plan, affect the application of this Plan to the eligible property or impair the rights available to DBRA under this Plan. The applicable sections of Act 381 are noted throughout the Plan for reference purposes.

This Plan describes the project to be completed (see Attachment C) and contains all of the information required by Section 13(2) of Act 381.

II. GENERAL PROVISIONS

A. Description of the Eligible Property (Section 13 (2)(h)) and the Project

The property comprising the eligible property consists of one 6.16-acre parcel within the city block bounded by Riopelle Street, Hale Street, Orleans Street, and Erskine Street. It is located in Detroit's Eastern Market district. Two single-story vacant buildings currently stand on the property; the larger 105,544-square foot building will be renovated, the smaller 2,000-square foot will be demolished.

The property is a "facility" as that term is defined in Part 201 of the Natural Resources and Environmental Protection Act (NREPA). The parcel and all tangible personal property located thereon will comprise the eligible property and is collectively referred to herein as the "Property." Attachment A includes a site map of the Property.

Parcel information is outlined below.

Address	3500 Riopelle Street
Parcel ID	07001977-87
Owner	Riopelle Market Development LP
Legal Description	See Attachment B

Riopelle Market Development LP is the project developer ("Developer") and owner of the Property. The Developer was awarded the opportunity to develop the Property through a City of Detroit Request For Proposals process.

The Mosaic Eastern Market project is an adaptive commercial mixed-use collective that will contain Eastern Market Corporation's accelerator/commissary facility for food entrepreneurs, along with an eclectic mix of food and creative related business tenants. The existing a 105,544-square foot building on the site will be completely renovated. The 2,000-square foot building will be demolished and the vacant area surrounding it will be converted to a parking lot, which will accommodate approximately 370 on-site parking stalls. The renovated building will be known as the Mosaic Eastern Market, which will feature an approximately 66,910 square feet of flexible commercial/office space, approximately 12,235 square feet of food accelerator space, approximately 16,680 square feet of restaurant space, and approximately 16,977 square feet of common area and special event space. Mosaic Eastern Market will also be an example of green energy generation with the installation of an approximately 3,355-panel, 1,107-kilowatt solar array on the

roof. Green, low-impact-design urban stormwater management systems (such as pervious pavers or bioswales) are also being contemplated for the project.

It is currently anticipated that construction will begin in November 2019 and eligible activities will be completed within one (1) year. The project description provided herein is a summary of the proposed development at the time of the adoption of the Plan. The actual development may vary from the project description provided herein, without necessitating an amendment to this Plan, so long as such variations are not material and arise as a result of changes in market and/or financing conditions affecting the project and/or are related to the addition or immaterial removal of amenities to the project. All material changes, as determined by DBRA in its sole discretion, to the project description are subject to the approval of the DBRA staff and shall be consistent with the overall nature of the proposed development, its proposed public purpose, and the purposes of Act 381.

Attachment C provides a description of the project to be completed at the Property (the "Project") and Attachment D includes letters of support for the Project.

B. Basis of Eligibility (Section 13 (2)(h) and Section 2 (o))

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) the Property was previously utilized for a commercial purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is determined to be a "facility," as defined by Act 381.

AKT Peerless collected soil, groundwater, and wood block flooring samples to evaluate the recognized environmental conditions identified during its October 2018 Phase I Environmental Site Assessment (ESA). Analytical results were compared with Michigan Department of Environment, Great Lakes and Energy (EGLE) Residential Cleanup Criteria (RCC) provided in Part 201. The results indicate the following:

- Arsenic, cadmium, chromium (total), lead, mercury, selenium, zinc, 1,2,4-trimethylbenzene, benzene, and xylenes were detected in subsurface soils at concentrations exceeding the EGLE Part 201 RCC.
- The concentrations of 1,2,4-TMB, 1,3,5-TMB, benzene, ethylbenzene, and/or xylenes detected in soil samples AKT-18 (0.5-2.5') and AKT-19 (1-3') exceed the Non-Residential Soil Recommended Interim Action Screening Levels (RIASLs). Additionally, concentrations of mercury detected in soil samples AKT-1 (2-3'), AKT-3 (3-4'), AKT-4 (2-4'), AKT-5 (4-6'), AKT-12 (2-2.5'), AKT-15 (2-4'), AKT-18 (0.5-2.5'), AKT-19 (1-3'), AKT-20 (3-5'), and AKT-21 (3-5') exceed the Non-Residential Soil RIASLs.
- Chromium (total), lead, selenium, 2-methylnaphthalene, and phenanthrene were detected in groundwater at the subject property at concentrations exceeding the EGLE Part 201 RCC, including the GSI and/or DW criteria.

C. Summary of Eligible Activities and Description of Costs (Section 13 (2)(a),(b))

The “eligible activities” that are intended to be carried out at the Property are considered “eligible activities” as defined by Section 2 of Act 381, because they include Predevelopment Activities, Due Care Compliance Activities, Response Activities, Demolition, Lead and Asbestos Abatement, Site Preparation, Public and Private Infrastructure Improvements, and the preparation and implementation of a brownfield plan and Act 381 work plan.

A summary of the eligible activities and the estimated cost of each eligible activity intended to be paid for with Tax Increment Revenues from the Property are shown in the table attached hereto as Attachment E. The eligible activities described in Attachment E are not exhaustive. Subject to the approval of DBRA staff in writing, additional eligible activities may be carried out at the Property, without requiring an amendment to this Plan, so long as such eligible activities are permitted by Act 381 and the performance of such eligible activities does not exceed the total costs stated in Attachment E.

Unless otherwise agreed to in writing by the DBRA, all eligible activities shall commence within eighteen (18) months after the date the governing body approves this Plan and be completed within three (3) years after approval of the Michigan Strategic Fund (MSF) work plan, if applicable, or three (3) years after execution of the Reimbursement Agreement (as that term is defined below). Long-term monitoring or operation and maintenance activities or obligations that may be required will be performed in compliance with the terms of this Plan and any documents prepared pursuant to this Plan.

The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property pursuant to the terms of a Reimbursement Agreement to be executed by the DBRA and the Developer after approval of this Plan (the “Reimbursement Agreement”), to the extent permitted by Act 381. In the event this Plan contemplates the capture of tax increment revenue derived from “taxes levied for school operating purposes” (as defined by Section 2(uu) of Act 381 and hereinafter referred to as “School Taxes”), the Developer acknowledges and agrees that DBRA’s obligation to reimburse the Developer for the cost of eligible activities with tax increment revenue derived from Local Taxes, or Specific Taxes that are considered Local Taxes, (as these capitalized terms are defined by Act 381) is contingent upon: (i) the Developer receiving at least the initial applicable work plan approvals by the MSF and EGLE, as may be required pursuant to Act 381, or (ii) the Developer providing the DBRA with evidence, satisfactory to DBRA, that the Developer has the financial means to complete the project without the capture of, and subsequent reimbursement with, the contemplated School Taxes.

The costs listed in Attachment E are estimated costs and may increase or decrease depending on the nature and extent of environmental contamination and other unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the DBRA from the Property shall be governed by the terms of the Reimbursement

Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Act 381. The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment or reimbursement, provided that the total cost of eligible activities subject to payment or reimbursement under the Reimbursement Agreement shall not exceed the estimated costs set forth in Attachment E. As long as the total costs are not exceeded, line item costs of eligible activities may be adjusted after the date this Plan is approved by the governing body, to the extent the adjustments do not violate the terms of the approved EGLE or MSF work plan.

D. Estimate of Captured Taxable Value and Tax Increment Revenues (Section 13(2)(c)); Beginning Date of Capture of Tax Increment Revenues (Section 13(2)(f); Impact of Tax Increment Financing on Taxing Jurisdictions (Section 13(2)(g))

This Plan anticipates the capture of tax increment revenues to reimburse the Developer for the costs of eligible activities under this Plan in accordance with the Reimbursement Agreement. Subject to Section 13(b)(16) of Act 381, a table of estimated tax increment revenues to be captured is attached to this Plan as Attachment F.

Tax increments are projected to be captured and applied to (i) reimbursement of eligible activity costs and payment of DBRA administrative and operating expenses, (ii) make deposits into the State Brownfield Redevelopment Fund, and (iii) make deposits into the DBRA's Local Brownfield Revolving Fund, as follows:

	<u>Developer Reimburse.</u>	<u>DBRA Admin. Costs</u>	<u>State Brownfield Fund</u>	<u>Local Revolving Fund</u>
School Operating Tax	\$ 1,947,722	\$0	\$0	\$0
State Education Tax	\$ 324,620	\$0	\$ 324,620	\$0
City Operating	\$ 1,828,779	\$ 623,597	\$0	\$ 451,037
Library	\$ 424,445	\$ 144,732	\$0	\$ 104,682
Wayne Co Operating	\$ 694,417	\$ 236,790	\$0	\$ 171,266
HCMA	\$ 19,514	\$ 6,654	\$0	\$ 4,813
Wayne ISD	\$ 317,534	\$ 108,276	\$0	\$ 78,314
Wayne ENH	\$ 183,318	\$ 62,510	\$0	\$ 45,212
WCCC	\$ 297,048	\$ 101,291	\$0	\$ 73,262
Wayne Parks	\$ 22,539	\$ 7,686	\$0	\$ 5,559
TOTAL	\$ 6,059,937	\$ 1,291,536	\$ 324,620	\$ 934,146
In addition, the following taxes are projected to be generated <u>but shall not be captured</u> during the life of this Plan:				
City Debt	\$ 1,309,679			
School Debt	\$ 1,891,759			
Wayne Zoo	\$ 29,104			

Wayne DIA	\$ 14,552	
TOTAL	\$ 3,245,095	

In no event shall the duration of this Plan exceed thirty-five (35) years following the date of the governing body's resolution approving this Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five (5) years after the date of the governing body's resolution approving this Plan.

E. Plan of Financing (Section 13(2)(d)); Maximum Amount of Indebtedness (Section 13(2)(e))

The eligible activities are to be financed solely by the Developer. The DBRA will reimburse the Developer for the cost of approved eligible activities, but only from tax increment revenues generated from the Property. No advances have been or shall be made by the City or the DBRA for the costs of eligible activities under this Plan.

All reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan are intended to authorize the DBRA to fund such reimbursements and does not obligate the DBRA or the City to fund any reimbursement or to enter into the Reimbursement Agreement providing for the reimbursement of any costs for which tax increment revenues may be captured under this Plan, or which are permitted to be reimbursed under this Plan. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by this Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Unless otherwise agreed upon by the Developer, the DBRA, and the State of Michigan, the DBRA shall not incur any note or bonded indebtedness to finance the purposes of this Plan.

Interest shall be paid under this Plan as provided in the Reimbursement Agreement, provided that to the extent that the MSF or EGLE does not approve the payment of interest on an eligible activity with school taxes, interest shall not accrue or be paid under this Plan with respect to the cost of such eligible activity. Unless otherwise agreed upon by the Developer, the DBRA, and the State of Michigan, the DBRA may approve interest on the local portion of the reimbursement to the extent that the projected internal rate of return to the Developer does not exceed twenty (20%), as more specifically stated in the Reimbursement Agreement.

The Developer has applied or will apply for a property tax abatement under the Obsolete Property Rehabilitation Act, PA 146 of 2000, as amended, (OPRA). If approved, the approved OPRA will reduce the property tax obligations of the Property for the period applicable under the abatement certificate, thereby reducing the amount of tax increment revenues available pursuant to this Plan.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of Eligible Activities permitted under this Plan.

F. Duration of Plan (Section 13(2)(f))

Subject to Section 13b(16) of Act 381, the beginning date of capture of tax increment revenues for the eligible property is estimated in accordance with the TIF table described in Exhibit F. In no event, however, shall this Plan extend beyond the maximum term allowed by Section 13(2)(f) of Act 381 for the duration of this Plan.

Furthermore, this Plan, or any subsequent amendment thereto, may be abolished or terminated in accordance with Section 14(8) of Act 381 in the event of any of the following:

a. The governing body may abolish this Plan (or any subsequent amendment thereto) when it finds that the purposes for which this Plan was established have been accomplished.

b. The governing body may terminate this Plan (or any subsequent amendment thereto) if the project for which eligible activities were identified in this Plan (or any subsequent amendment thereto) fails to occur with respect to the eligible property for at least two (2) years following the date of the governing body resolution approving this Plan (or any subsequent amendment thereto), provided that the governing body first does both of the following: (i) gives 30 days' written notice to the Developer at its last known address by certified mail or other method that documents proof of delivery attempted; and (ii) provides the Developer with an opportunity to be heard at a public meeting.

Notwithstanding anything in this subsection to the contrary, this Plan (or any subsequent amendment thereto) shall not be abolished or terminated until the principal and interest on bonds, if any, issued under Section 17 of Act 381 and all other obligations to which the tax increment revenues are pledged have been paid or funds sufficient to make the payment have been identified or segregated.

G. Effective Date of Inclusion in Brownfield Plan

The Property will become a part of this Plan on the date this Plan is approved by the governing body.

H. Displacement/Relocation of Individuals on Eligible Property (Section 13(2)(i-l))

There are no persons or businesses residing on the eligible property and no occupied residences will be acquired or cleared, therefore there will be no displacement or relocation of persons or businesses under this Plan.

I. Local Brownfield Revolving Fund (“LBRF”) (Section 8; Section 13(2)(m))

The DBRA has established a Local Brownfield Revolving Fund (LBRF). The LBRF will consist of all tax increment revenues authorized to be captured and deposited in the LBRF, as specified in Section 13(5) of Act 381, under this Plan and any other plan of the DBRA. It may also include funds appropriated or otherwise made available from public or private sources.

The amount of tax increment revenue authorized for capture and deposit in the LBRF is estimated at \$591,656. All funds, if any, deposited in the LBRF shall be used in accordance with Section 8 of Act 381.

J. Brownfield Redevelopment Fund (Section 8a; Section 13(2)(m))

The DBRA shall pay to the Department of Treasury at least once annually an amount equal to 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, that are captured under this Plan for up to the first twenty-five (25) years of the duration of capture of tax increment revenues for each eligible property included in this Plan. If the DBRA pays an amount equal to 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, on a parcel of eligible property to the Department of Treasury under Section 13b(14) of Act 381, the percentage of local taxes levied on that parcel and used to reimburse eligible activities for the Project under this Plan shall not exceed the percentage of local taxes levied on that parcel that would have been used to reimburse eligible activities for the Project under this Plan if the 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, on that parcel were not paid to the Department of Treasury under Section 13b(14) of Act 381.

K. Developer’s Obligations, Representations and Warrants

The Developer and its affiliates shall comply with all applicable laws, ordinances, executive orders, or other regulations imposed by the City or any other properly constituted governmental authority with respect to the Property and shall use the Property in accordance with this Plan.

The Developer, at its sole cost and expense, shall be solely responsible for and shall fully comply with all applicable federal, state, and local relocation requirements in implementing this Plan.

The Developer represents and warrants that a Phase I Environmental Site Assessment (“ESA”) and Phase II ESA, baseline environmental assessment, and due care plan, pursuant to Part 201 of Michigan’s Natural Resources and Environmental Protection Act (MCL 324.20101 *et seq.*), have been or will be performed on the Property (“Environmental Documents”). Attached hereto as Attachment G is the City of Detroit’s Department of Buildings, Safety Engineering and Environmental acknowledgement of its receipt of the Phase I ESA and the Phase II ESA.

The Developer further represents and warrants that the Project does not and will not include a City of Detroit Land Bank Authority, Wayne County Land Bank Authority or State of Michigan Land Bank financing component.

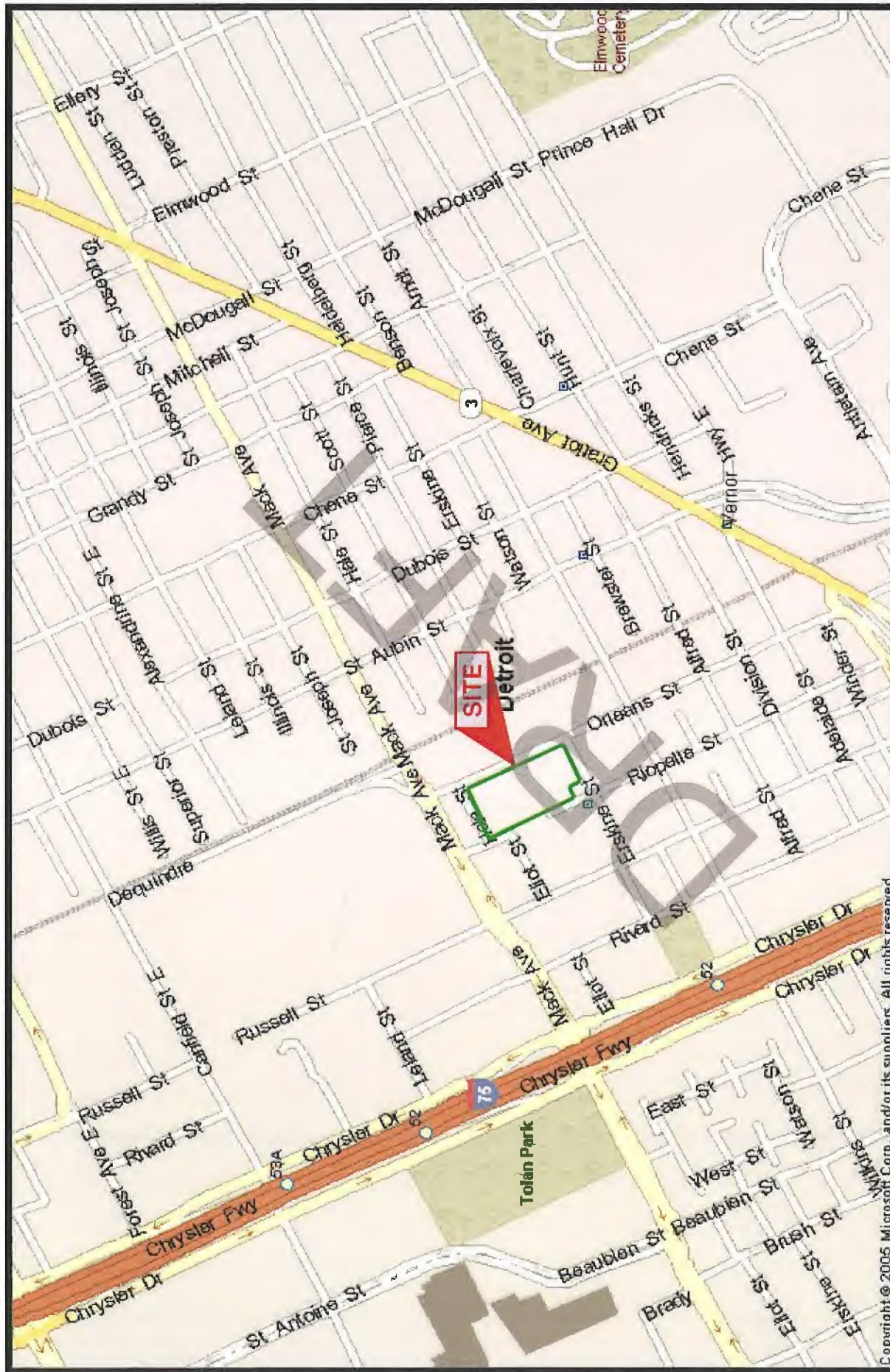
Except as otherwise agreed to by the DBRA, any breach of a representation or warranty contained in this Plan shall render the Plan invalid, subject to the Developer's reasonable opportunity to cure as described in the Reimbursement Agreement.

#3708938 v9

III. ATTACHMENTS

ATTACHMENT A

Site Map



DRAWN BY: ARR
DATE: 7/25/2019

FIGURE 1

LEGEND



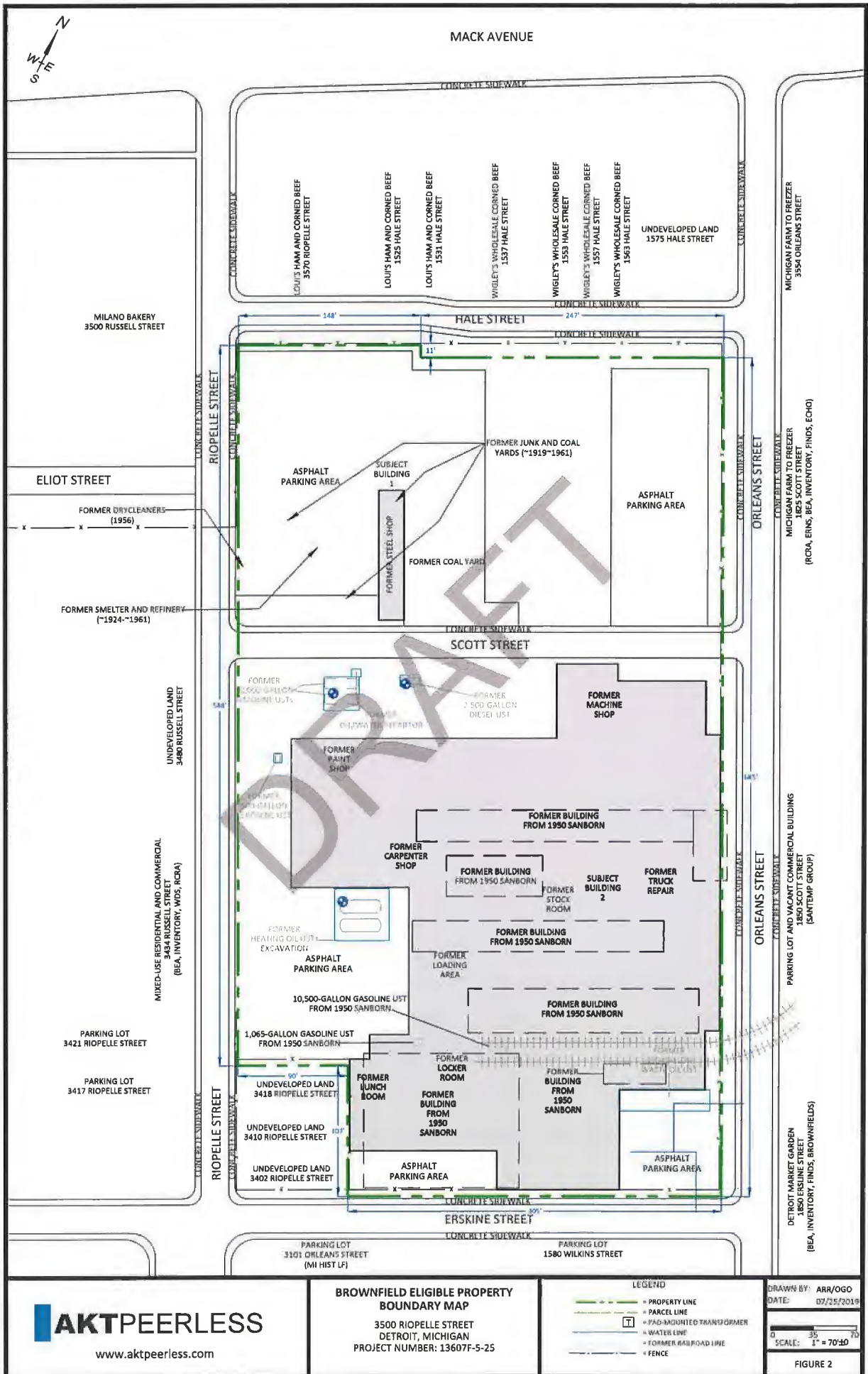
PROPERTY LOCATION MAP

3500 RIOPELLE STREET
DETROIT, MICHIGAN
PROJECT NUMBER: 13607F-5-25

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ATTACHMENT B

Legal Description of Eligible Property to which the Plan Applies

The eligible property also includes adjacent public rights-of-way including Riopelle Street.

BROWNFIELD ELIGIBLE PROPERTY BOUNDARY IS DESCRIBED BY SURVEY AS FOLLOWS:

Commencing at the Southwest corner of Lot 20 of F.J.B. Crane's Subdivision of Out Lots No. 53, 54, 57, 58 Riopelle Farm, as recorded in Liber 53 of Deeds, Page 346, Wayne County Records: thence North 26 degrees 00 minutes 00 seconds West 110.40 feet along the Easterly right-of-way line of Riopelle Street (43.60 feet wide) to the Southwesterly corner of Lot 17 of said F.J.B. Crane's Subdivision of Out Lots No. 53, 54, 57, 58 Riopelle Farm and the **Point of Beginning**

thence continuing along said Easterly right-of way line of Riopelle Street North 26 degrees 00 minutes 00 seconds West 593.60 feet;

thence along the Southerly right-of-way line of Hale Street (Variable Width) in the following three (3) courses: North 64 degrees 00 minutes 00 seconds East 149.64 feet; South 26 degrees 00 minutes 00 seconds East 10.00 feet; North 64 degrees 00 minutes 00 seconds East 250.00 feet;

thence South 26 degrees 00 minutes 00 seconds East 694.00 feet along the Westerly right-of-way line of Orleans Street (50 feet wide)

thence 64 degrees 00 minutes 00 seconds West 305.64 feet along the Northerly right-of-way line of Erskine Street (40 feet wide):

thence North 26 degrees 00 minutes 00 seconds West 110.40 feet along the Easterly lines of Lots 18, 19, and 20 of said F.J.B. Crane's Subdivision of Out Lots No. 53, 54, 57, 58 Riopelle Farm;

thence South 64 degrees 00 minutes 00 seconds West 94.00 feet along the Southerly line of Lot 17 of said F.J.B. Crane's Subdivision of Out Lots No. 53, 54, 57, 58 Riopelle Farm to the point of Beginning, being part of the Subdivision of Lot 5 of the Subdivision of the Rear of the Dequindre Farm North of North Street; F.J.B. Crane's Subdivision of Out Lots No. 53, 54, 57, 58 Riopelle Farm; Farrand's Sub'n of the North 60 feet of Out Lot 6 of the Sub'n of the Dequindre Farm; and the Subdivision of the Rear of the Antoine Dequindre Farm for the Administration of the Estate of Antoine Rivard; also being in the City of Detroit, Wayne County, Michigan

ATTACHMENT C

Project Description

Project Description – Mosaic Eastern Market Redevelopment

Project Developer:	Riopelle Market Development LP
Project Location:	3500 Riopelle Street, Detroit
Capital Investment:	~\$24,128,542
Eligible Activities:	~\$4,472,620 (Department Specific Activities, Demolition, Asbestos & Hazardous Material Abatement, Site Preparation, Infrastructure Improvements, 15% Contingency on aforementioned activity costs and Preparation of a Brownfield Plan and Act 381 Work Plan)
Type of Eligible Property:	“Facility” under Part 201

Project Overview: The Mosaic Eastern Market project is an adaptive commercial mixed-use collective that will contain Eastern Market Corporation’s accelerator/commissary facility for food entrepreneurs, along with an eclectic mix of food and creative related business tenants. Riopelle Market Development LP was awarded the opportunity to develop the Property through a City of Detroit Request For Proposals process and is working hand-in-hand with the City of Detroit and the Eastern Market Corporation to redevelop the property in a manner that is cohesive with the existing culture of the Eastern Market District.

The existing a 105,544-square foot building on the site will be completely renovated. The 2,000-square foot building will be demolished and the vacant area surrounding it will be converted to a parking lot, which will accommodate 370 on-site parking stalls. The renovated building will be known as the Mosaic Eastern Market which will feature an estimated 66,910 square feet of flexible commercial/office space, 12,235 square feet of food accelerator space, 16,680 square feet of restaurant space, and 16,977 square feet of common area and special event space. Mosaic Eastern Market will also be an example of green energy generation with the installation of an approximately 3,355-panel, 1,107-kilowatt solar array on the roof. Green, low-impact-design urban stormwater management systems (such as pervious pavers or bioswales) are also being contemplated for the project.

The redevelopment will revive this long-vacant property and support the culture of Eastern Market. The completed project is also expected to create an estimated 450 new full-time equivalent (FTE) jobs.

The Project also anticipates local and state approval of an Obsolete Property Rehabilitation Act (OPRA) Tax Abatement and an Act 381 Work Plan.

ATTACHMENT D

Supportive Letters



September 22, 2019

Brian Vosburg, AICP
Brownfield Redevelopment Manager
Detroit Economic Growth Corporation
500 Griswold, Suite 2200
Detroit, MI 48226

Re: Mosaic Project

Dear Mr. Vosburg,

Eastern Market Partnership strongly supports the Mosaic Project in the Eastern Market District. Located at Project. Located at 3500 Riopelle this long dormant – abandoned – facility can become another gem in the cluster of Eastern Market Development. The brownfield redevelopment tax increment financing incentive will assist with the redevelopment of the site and building, which in turn will help continue the revitalization of the Eastern Market District.

This project will enable another 105,000 square feet of commercial development in an area with high demand for space. Included in the project is a 15,000 square foot food accelerator which will enable 8-10 emerging food companies to scale up their operations.

Once again please know that the Eastern Market Partnership stands in full support of this project and looks forward to being part of the neighborhood rebirth.

Sincerely,

Daniel S. Carmody
President



CITY OF DETROIT
PLANNING AND DEVELOPMENT DEPARTMENT

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVENUE SUITE 808
DETROIT, MICHIGAN 48226
(313) 224-1339 • TTY:711
(313) 224-1310
WWW.DETROITMI.GOV

August 19, 2019

Ms. Jennifer Kanalos
Authorized Agent
Detroit Brownfield Redevelopment Authority
500 Griswold, Suite 2200
Detroit, Michigan 48226

RE: Mosaic Eastern Market Brownfield Redevelopment Plan

Dear Ms. Kanalos,

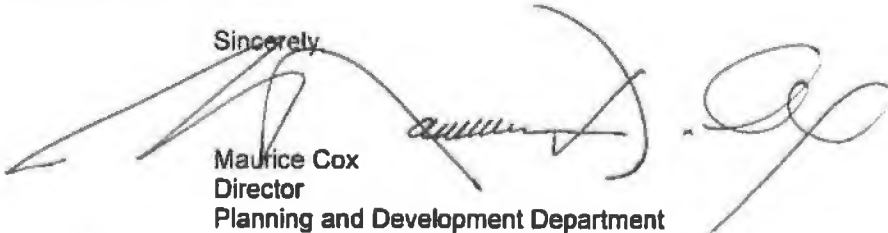
The Detroit Brownfield Redevelopment Authority (DBRA) has asked that the Planning and Development Department to review and comment on the Mosaic Eastern Market Brownfield Redevelopment Plan (the "Plan").

Riopelle Market Development, LP is the project developer ("Developer"). The property in the Plan is located on single parcel of land at 3500 Riopelle in Detroit's Eastern Market and is bounded by Riopelle Street to the west, Erskine Street to the south, Orleans Street to the east, and Hale Street to the north.

The Plan consists of an adaptive commercial, mixed-use collective that will contain Eastern Market Corporation's accelerator/commissary facility for food entrepreneurs, along with an eclectic mix of food and creative related business tenants. The existing 105,544-square foot building will be completely rehabilitated to support reuse and a surface parking lot will be constructed on the vacant property to the north of the building. The Mosaic Eastern Market will contain an estimated 10 tenant spaces including special event space.

The review for this brownfield plan is complete and all comments have been forwarded to the developer. No adverse comments were received. The Planning and Development Department recommends approval of the brownfield plan as submitted.

Sincerely,



Maurice Cox
Director
Planning and Development Department

c: B. Vosburg



September 26, 2019

Brian Vosburg, AICP
Brownfield Redevelopment Manager
Detroit Economic Growth Corporation
500 Griswold, Suite 2200
Detroit, MI 48226

Re: Mosaic at Eastern Market

Dear Mr. Vosburg,

On behalf of Amore Da Roma, we support Mosaic at Eastern Market project located on Riopelle in Eastern Market. The Brownfield Redevelopment tax increment financing incentive will assist with the redevelopment of the site and building, which in turn, will revitalize Eastern Market.

The site of the above referenced project is located next door to us and has been empty for decades. It's been a danger to our employees as well as our customers and an eyesore with graffiti and gang signs. It is our belief that this project will stimulate additional housing in the area along with new businesses and commercial activity.

Amore Da Roma is in full support of this project and looks forward to being part of the neighborhood rebirth.

Sincerely,
AMORE Da ROMA

Guy Pelino
Owner

ATTACHMENT E

Estimated Cost of Eligible Activities Table

Eligible Activities Cost Detail

Mosaic Eastern Market

3500 Riopelle

Detroit, MI

AKT Peerless Project No. 13607F

As of October 3, 2019

ELIGIBLE ACTIVITIES COST SUMMARY				Estimated Cost of Eligible Activity
Predevelopment Activities				\$ 109,570
Due Care Compliance Activities				\$ 1,067,500
TOTAL ENVIRONMENTAL ELIGIBLE ACTIVITIES				\$ 1,177,070
Demolition				\$ 1,189,581
Lead and Asbestos Activities				\$ 265,000
Site Preparation Activities				\$ 263,424
Eligible Infrastructure Improvement Activities				\$ 1,027,000
TOTAL NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES				\$ 2,745,005
Total Environmental and Non-Environmental Eligible Activities				\$ 3,922,075
		15% Contingency on Eligible Activities		\$ 513,045
Brownfield Plan & Act 381 WP Preparation				\$ 25,000
Brownfield Plan & Act 381 WP Implementation				\$ 12,500
Total Eligible Activities Cost with 15% Contingency				\$ 4,472,620
		Interest (calculated at 5%, simple)		\$ 1,587,317
Total Eligible Activities Cost, with Contingency & Interest				\$ 6,059,937
BRA Administration Fee				\$ 1,291,536
State Revolving Fund				\$ 324,620
Local Brownfield Revolving Fund (LBRF)				\$ 934,146
Total Eligible Costs for Reimbursement				\$ 8,610,239

ATTACHMENT F

TIF Tables

Tax Increment Revenue Estimates

Mosaic Eastern Market
3500 Riopelle
Detroit, MI

AKT Peerless Project No. 13805F

As of October 3, 2019

Estimated TV Increase rate: 1.01		Plan Year																
Calendar Year		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
Base Taxable Value for Brownfield Plan		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Base Taxable Value for OPRA Only		\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	
Estimated New TV		\$ 6,366,730	\$ 6,430,397	\$ 6,494,701	\$ 6,559,648	\$ 6,625,245	\$ 6,691,497	\$ 6,758,412	\$ 6,825,996	\$ 6,894,256	\$ 6,963,199	\$ 7,032,831	\$ 7,103,159	\$ 7,174,191	\$ 7,245,933	\$ 7,318,392	\$ 7,391,576	
Incremental Difference (New TV - Initial TV)		\$ 6,366,730	\$ 6,430,397	\$ 6,494,701	\$ 6,559,648	\$ 6,625,245	\$ 6,691,497	\$ 6,758,412	\$ 6,825,996	\$ 6,894,256	\$ 6,963,199	\$ 7,032,831	\$ 7,103,159	\$ 7,174,191	\$ 7,245,933	\$ 7,318,392	\$ 7,391,576	
Initial		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Incremental		\$ 20,300	\$ 20,493	\$ 20,684	\$ 20,879	\$ 21,076	\$ 21,274	\$ 21,474	\$ 21,671	\$ 21,868	\$ 22,065	\$ 22,262	\$ 22,459	\$ 22,656	\$ 22,853	\$ 23,050	\$ 23,247	
Initial		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Incremental		\$ 60,901	\$ 61,474	\$ 62,052	\$ 62,637	\$ 63,227	\$ 63,823	\$ 64,423	\$ 65,027	\$ 65,635	\$ 66,246	\$ 66,859	\$ 67,474	\$ 68,091	\$ 68,710	\$ 69,330	\$ 69,951	
School Total		\$ 81,201	\$ 81,965	\$ 82,736	\$ 83,516	\$ 84,303	\$ 85,098	\$ 85,908	\$ 86,724	\$ 87,546	\$ 88,373	\$ 89,205	\$ 90,041	\$ 90,880	\$ 91,722	\$ 92,568	\$ 93,418	
Total School Tax Increment Revenue Capture		\$ 81,201	\$ 81,965	\$ 82,736	\$ 83,516	\$ 84,303	\$ 85,098	\$ 85,908	\$ 86,724	\$ 87,546	\$ 88,373	\$ 89,205	\$ 90,041	\$ 90,880	\$ 91,722	\$ 92,568	\$ 93,418	
Abatement Value (School taxes)		\$ 71,601	\$ 72,365	\$ 73,136	\$ 73,916	\$ 74,703	\$ 75,498	\$ 76,300	\$ 77,107	\$ 77,919	\$ 78,736	\$ 79,558	\$ 80,385	\$ 81,216	\$ 82,051	\$ 82,890	\$ 83,733	
Local Total		\$ 152,802	\$ 154,330	\$ 155,872	\$ 157,428	\$ 158,999	\$ 160,596	\$ 162,202	\$ 163,824	\$ 165,462	\$ 167,117	\$ 168,783	\$ 170,476	\$ 172,181	\$ 173,902	\$ 175,641	\$ 177,398	
Local Tax Increment Revenue Capture		\$ 152,802	\$ 154,330	\$ 155,872	\$ 157,428	\$ 158,999	\$ 160,596	\$ 162,202	\$ 163,824	\$ 165,462	\$ 167,117	\$ 168,783	\$ 170,476	\$ 172,181	\$ 173,902	\$ 175,641	\$ 177,398	
Abatement Value (local taxes)		\$ 141,101	\$ 142,551	\$ 144,001	\$ 145,451	\$ 146,901	\$ 148,351	\$ 149,801	\$ 151,251	\$ 152,701	\$ 154,151	\$ 155,601	\$ 157,051	\$ 158,501	\$ 159,951	\$ 161,401	\$ 162,851	
Local Total		\$ 293,903	\$ 296,881	\$ 299,872	\$ 302,876	\$ 305,898	\$ 308,922	\$ 311,956	\$ 314,990	\$ 318,038	\$ 321,090	\$ 324,146	\$ 327,205	\$ 330,266	\$ 333,330	\$ 336,397	\$ 339,465	
Total Local Tax Increment Revenue Capture		\$ 293,903	\$ 296,881	\$ 299,872	\$ 302,876	\$ 305,898	\$ 308,922	\$ 311,956	\$ 314,990	\$ 318,038	\$ 321,090	\$ 324,146	\$ 327,205	\$ 330,266	\$ 333,330	\$ 336,397	\$ 339,465	
Abatement Value (local taxes)		\$ 246,561	\$ 249,192	\$ 251,850	\$ 254,533	\$ 257,244	\$ 259,982	\$ 262,747	\$ 265,540	\$ 268,360	\$ 271,209	\$ 274,086	\$ 276,993	\$ 279,929	\$ 282,885	\$ 285,861	\$ 288,856	
Local Total		\$ 490,464	\$ 496,073	\$ 501,722	\$ 507,409	\$ 513,132	\$ 518,896	\$ 524,703	\$ 530,543	\$ 536,423	\$ 542,342	\$ 548,301	\$ 554,300	\$ 560,339	\$ 566,418	\$ 572,536	\$ 578,691	
Total Annual Abatement Value		\$ 490,464	\$ 496,073	\$ 501,722	\$ 507,409	\$ 513,132	\$ 518,896	\$ 524,703	\$ 530,543	\$ 536,423	\$ 542,342	\$ 548,301	\$ 554,300	\$ 560,339	\$ 566,418	\$ 572,536	\$ 578,691	
Total Accumulated Abatement Value		\$ -	\$ 490,464	\$ 986,937	\$ 1,484,346	\$ 1,982,478	\$ 2,481,374	\$ 2,981,077	\$ 3,481,620	\$ 3,982,993	\$ 4,485,196	\$ 4,988,239	\$ 5,492,122	\$ 5,996,851	\$ 6,502,423	\$ 7,008,835	\$ 7,516,086	
Total Non-Capturable Taxes		\$ 22,3000	\$ 22,3000	\$ 22,3000	\$ 22,3000	\$ 22,3000	\$ 22,3000	\$ 22,3000	\$ 22,3000	\$ 22,3000	\$ 22,3000	\$ 22,3000	\$ 22,3000	\$ 22,3000	\$ 22,3000	\$ 22,3000	\$ 22,3000	
Abatement Value (non-capt taxes)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Annual Abatement Value		\$ 451,220	\$ 456,035	\$ 460,898	\$ 465,809	\$ 470,770	\$ 475,780	\$ 480,839	\$ 485,948	\$ 491,107	\$ 496,316	\$ 501,575	\$ 506,884	\$ 512,243	\$ 517,652	\$ 523,111	\$ 527,619	
Total Accumulated Abatement Value		\$ 451,220	\$ 907,255	\$ 1,368,153	\$ 1,833,962	\$ 2,304,732	\$ 2,780,512	\$ 3,261,351	\$ 3,748,299	\$ 4,241,456	\$ 4,740,872	\$ 5,246,547	\$ 5,758,572	\$ 6,276,956	\$ 6,801,709	\$ 7,332,820	\$ 7,870,289	

Tax Increment Revenue Estimates

Mosaic Eastern Market
3500 Riopelle
Detroit, MI
AKT Peerless Project No. 138
As of October 3, 2019

[illegible]

Reimbursement Allocation Schedule

Mosaic Eastern Market
3500 Riopelle
Detroit, MI

AKT Peerless Project No. 13607F

As of October 3, 2019

Developer Projected Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	49.9%	\$ 2,272,342	\$ 2,319,980	\$ 4,592,322
Local	50.1%	\$ 1,467,615	\$ 3,787,595	\$ 5,255,210
TOTAL		\$ 3,739,957	\$ 6,099,937	
EGLE	0.0%	\$ -		
MSF	100.0%	\$ 3,739,957		

Estimated Capture	
Administrative Fees	\$ 1,291,536
State Revolving Fund	\$ 324,620
LBRF	\$ 934,146

Estimated Total Years
of Plan: 30

Plan Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Total State Incremental Revenue	\$ 81,201	\$ 81,965	\$ 82,736	\$ 83,516	\$ 84,303	\$ 85,098	\$ 85,893	\$ 86,688	\$ 87,483	\$ 88,278	\$ 89,073	\$ 89,868	\$ 90,663	\$ 91,458
State Brownfield Revolving Fund (50% of SET)	\$ 10,150	\$ 10,246	\$ 10,342	\$ 10,439	\$ 10,538	\$ 10,637	\$ 10,735	\$ 10,834	\$ 10,933	\$ 11,032	\$ 11,131	\$ 11,230	\$ 11,329	\$ 11,428
State TIR Available for Reimbursement	\$ 71,051	\$ 71,719	\$ 72,394	\$ 73,076	\$ 73,765	\$ 74,461	\$ 75,162	\$ 75,868	\$ 76,579	\$ 77,291	\$ 77,997	\$ 78,704	\$ 79,412	\$ 80,120
Total Local Incremental Revenue	\$ 16,529	\$ 16,529	\$ 16,529	\$ 16,529	\$ 16,529	\$ 16,529	\$ 16,529	\$ 16,529	\$ 16,529	\$ 16,529	\$ 16,529	\$ 16,529	\$ 16,529	\$ 16,529
BRA Administrative Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Print of Deferred BRA Administrative Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrual of Deferred BRA Admin Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local TIR Available for Reimbursement	\$ 1,870	\$ 1,755	\$ 1,639	\$ 1,522	\$ 1,404	\$ 1,285	\$ 1,165	\$ 1,044	\$ 922	\$ 800	\$ 678	\$ 556	\$ 434	\$ 312
Local State TIR Available	\$ 72,921	\$ 73,474	\$ 74,027	\$ 74,580	\$ 75,133	\$ 75,686	\$ 76,239	\$ 76,792	\$ 77,345	\$ 77,898	\$ 78,451	\$ 79,004	\$ 79,557	\$ 80,110
Developer														
Developer Reimbursement Balance	\$ 6,059,837	\$ 5,987,017	\$ 5,915,542	\$ 5,845,509	\$ 5,766,910	\$ 5,689,741	\$ 5,615,095	\$ 5,542,968	\$ 5,472,358	\$ 5,403,261	\$ 5,335,683	\$ 5,269,623	\$ 5,205,078	\$ 5,142,048
STATE Reimbursement Balance	\$ 2,772,342	\$ 2,204,291	\$ 2,129,572	\$ 2,057,178	\$ 1,984,102	\$ 1,910,336	\$ 1,835,876	\$ 1,760,720	\$ 1,684,873	\$ 1,608,334	\$ 1,531,202	\$ 1,453,576	\$ 1,375,454	\$ 1,296,836
Eligible Activities Reimbursement	\$ 1,995,065	\$ 71,051	\$ 71,719	\$ 72,394	\$ 73,076	\$ 73,765	\$ 74,461	\$ 75,162	\$ 75,868	\$ 76,579	\$ 77,291	\$ 77,997	\$ 78,704	\$ 79,412
Non-Environmental Eligible Activities	\$ 1,995,065	\$ 71,051	\$ 71,719	\$ 72,394	\$ 73,076	\$ 73,765	\$ 74,461	\$ 75,162	\$ 75,868	\$ 76,579	\$ 77,291	\$ 77,997	\$ 78,704	\$ 79,412
Interest Accumulation	\$ 106,161	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Reimbursement	\$ 277,277	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Environmental Portion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Environmental Portion	\$ 277,277	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total STATE TIR Reimbursement	\$ 71,051	\$ 71,719	\$ 72,394	\$ 73,076	\$ 73,765	\$ 74,461	\$ 75,162	\$ 75,868	\$ 76,579	\$ 77,291	\$ 77,997	\$ 78,704	\$ 79,412	\$ 80,120
LOCAL Reimbursement Balance	\$ 1,467,615	\$ 1,465,746	\$ 1,463,991	\$ 1,462,341	\$ 1,460,799	\$ 1,459,365	\$ 1,457,939	\$ 1,456,511	\$ 1,455,081	\$ 1,453,649	\$ 1,452,215	\$ 1,450,780	\$ 1,449,344	\$ 1,447,907
Eligible Activities Reimbursement	\$ 1,189,191	\$ 1,870	\$ 1,755	\$ 1,639	\$ 1,522	\$ 1,404	\$ 1,285	\$ 1,165	\$ 1,044	\$ 922	\$ 800	\$ 678	\$ 556	\$ 434
Non-Environmental Eligible Activities	\$ 1,189,191	\$ 1,870	\$ 1,755	\$ 1,639	\$ 1,522	\$ 1,404	\$ 1,285	\$ 1,165	\$ 1,044	\$ 922	\$ 800	\$ 678	\$ 556	\$ 434
Interest Accumulation	\$ 449,540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Reimbursement	\$ 278,424	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Environmental Portion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Environmental Portion	\$ 278,424	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total LOCAL TIR Reimbursement	\$ 1,870	\$ 1,755	\$ 1,639	\$ 1,522	\$ 1,404	\$ 1,285	\$ 1,165	\$ 1,044	\$ 922	\$ 800	\$ 678	\$ 556	\$ 434	\$ 312
LOCAL-ONLY Reimbursement Balance	\$ 2,319,980	\$ 2,319,980	\$ 2,319,980	\$ 2,319,980	\$ 2,319,980	\$ 2,319,980	\$ 2,319,980	\$ 2,319,980	\$ 2,319,980	\$ 2,319,980	\$ 2,319,980	\$ 2,319,980	\$ 2,319,980	\$ 2,319,980
Eligible Activities Reimbursement	\$ 1,298,364	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Reimbursement	\$ 1,021,616	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Local-Only TIR Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Local Reimbursement	\$ 72,921	\$ 73,474	\$ 74,027	\$ 74,580	\$ 75,133	\$ 75,686	\$ 76,239	\$ 76,792	\$ 77,345	\$ 77,898	\$ 78,451	\$ 79,004	\$ 79,557	\$ 80,110
LOCAL BROWNFIELD REVOLVING FUND														
LBRF Deposits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
STATE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LOCAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

AKTPEERLESS

ATTACHMENT G

BSE&E Acknowledgement and Other Environmental Documents

Attachment B

TO: THE DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY

FROM: DETROIT, BUILDINGS, SAFETY ENGINEERING, AND
ENVIRONMENTAL DEPARTMENT

PROJECT: RIOPELLE MARKET DEVELOPMENT LP/ MOSAIC EASTERN MARKET
PROJECT

DATE: September 10, 2019

The undersigned, from the City of Detroit, Buildings, Safety Engineering, and Environmental Department acknowledges the receipt of the environmental documents listed below, which have been submitted by AKT Peerless on behalf of Riopelle Market Development, LP, as developer, as part of its Brownfield Plan submittal to the Detroit Brownfield Redevelopment Authority (DBRA), for the Mosaic Eastern Market Project.

- 1 Phase I Environmental Site Assessment, pursuant to USEPA's. All
Appropriate Inquiry using American Society of Testing Materials (ASTM)
Standard E 1527-13
- 1 Phase II Environmental Site Assessment, pursuant to ASTM Standard
1903 (if appropriate)
- Baseline Environmental Assessment, pursuant to Part 201 of Michigan's
Natural Resources and Environmental Protection Act, MCL 324.20101 *et*
seq. (if appropriate).
- Due Care Plan, pursuant to Part 201 of Michigan's Natural Resources and
Environmental Protection Act, MCL 324.20101 *et seq.* (if appropriate).

Based upon its review of the above environmental documents and the representations of the developer, the City of Detroit, Buildings, Safety Engineering, and Environmental Department agrees with the environmental consultant that the site is a facility and has determined that the documents received for this project satisfy the DBRA Guidelines.

City of Detroit, Buildings, Safety
Engineering, and Environmental
Department

By: Paul J. May

Its: General Manager

ATTACHMENT H

Incentive Chart

City of Detroit
CITY COUNCIL
COUNCIL PRESIDENT BRENDA JONES

INCENTIVE INFORMATION CHART:

Project Type	Incentive Type	Investment Amount	District
Renovation/New Con	Tax Abatement	\$22,000,000	3500 Riopelle OPRA District

Jobs Available							
Construction				Post Construction			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
26	104	78	52	45	68	112	225

1. What is the plan for hiring Detroiters? please see attachment for answers to the following questions.
2. Please give a detailed description of the jobs available as listed in the above chart, i.e: job type, job qualifications, etc.
3. Will this development cause any relocation that will create new Detroit residents?
4. Has the developer reached out to any community groups to discuss the project and/or any potential jobs?
5. When is construction slated to begin?
6. What is the expected completion date of construction?

*Please contact Linda Wesley at (313) 628-2993 or wesleyl@detroitmi.gov to schedule a date to attend the Skilled Trades Task Force.

1. The plan for hiring Detroiters

The project will use Executive Order requirements as the basis for all trade contacts in terms of local participation. Riopelle Market Development, LP will work with local workforce development programs and will participate in Council President Jones' Skilled Trades Taskforce to optimize the use of Detroit-based subcontractors. The general contractor selected for the job is LS Brinker, a Detroit-based contractor with headquarters on Michigan Avenue in Detroit.

2. Detailed description of the jobs available

The proposed redevelopment includes 66,910 square feet of flexible commercial/office space, 12,235 square feet of food accelerator space, 16,680 square feet of restaurant space, 16,977 square feet of common area and special event space. The types of jobs that will be available will largely depend on the tenants, but may include: office personnel, restaurant servers, hosts and hostesses, chefs, bartenders, restaurant management positions, custodial staff, food processing specialists, distillery and/or brewery operators and production line staff. Average wages for new hires may range from \$10/hour to \$18/hour or for salary positions, from \$35,000 to \$45,000.

3. New Detroit residents

The project will create new commercial and retail attractions in the Eastern Market District drawing more residents to the neighborhood as well as supporting other recent redevelopments in Eastern Market. However, the project itself will not provide any additional residential space.

4. Community outreach for hiring

Riopelle Market Development LP will work with local workforce development programs and local consulting groups to increase opportunities for Detroit residents in order to meet Executive Order 2014-5 and 2016-1 requirements.

5.& 6. Construction schedule

The project is anticipating a spring 2020 start date, pending approvals of the various economic incentives by the administering agencies.

Exhibit B



October 9, 2019

The Honorable City Council
City of Detroit
Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1340
Detroit, Michigan 48226

City of Detroit Brownfield Redevelopment Authority
Board of Directors
500 Griswold Street, Suite 2200
Detroit, Michigan 48226

Re: Recommendation for Approval of the Mosaic Eastern Market Brownfield Redevelopment Plan

Honorable Members of the Detroit City Council and the City of Detroit Brownfield Redevelopment Authority Board of Directors:

In accordance with the resolution of the Detroit City Council creating the City of Detroit Brownfield Redevelopment Authority (the "Authority"), the Community Advisory Committee, at its meeting of October 9, 2019, adopted a resolution approving the proposed Brownfield Plan for the Mosaic Eastern Market Redevelopment and recommending adoption of this Brownfield Plan by the Authority and City Council.

Please accept this letter of recommendation for approval from the Community Advisory Committee on the Brownfield Plan for the Mosaic Eastern Market Redevelopment.

Very truly yours,

By:

Allen Rawls, Chairperson
Community Advisory Committee to the City of Detroit
Brownfield Redevelopment Authority



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
MINUTES OF THE
REGULAR COMMUNITY ADVISORY COMMITTEE MEETING
WEDNESDAY, OCTOBER 9, 2019 -- 5:00 PM
AT DEGC OFFICES
500 GRISWOLD, SUITE 2200
DETROIT, MI**

**COMMITTEE MEMBERS
PRESENT:**

Rick Blocker
Kamal Cheeks
Dr. Regina Randall
Allen Rawls
Rico Razo
Michelle Lee

**COMMITTEE MEMBERS
ABSENT:**

Simone Sagovac
Brad Lutz
Sandra Stahl

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Malinda Jensen (DEGC)
Kirstie Hardy (AKT Peerless)
Grant Greschuk (Riopelle Mkt GP)
Malik Goodwin (Riopelle Mkt GP)
Adam Schloff (K8 Partners)
Ginny Dougherty (PM Environmental)



Call to Order

Mr. Rawls, Chairperson, called the meeting to order at 5:15 p.m.

General

Approval of Minutes

Mr. Rawls called for approval of the minutes of the September 11, 2019 (resolution) DBRA-CAC meeting. The Committee took the following action:

On a motion by Mr. Blocker, seconded by Mr. Cheeks, DBRA-CAC Resolution Code 19-10-02-145, approving the September 11, 2019 CAC minutes, as presented, was unanimously approved.

Projects

Brownfield Plan for Mosaic Eastern Market

Mr. Vosburg introduced the Brownfield Plan for Mosaic Eastern Market to the CAC members present.

Project Introduction

Riopelle Market Development LP is the project developer (the "Developer") for the Plan which entails the renovation of the existing 105,544 square foot building into an adaptive mixed-use collective that will contain Eastern Market Corporation's accelerator/commissary facility for food entrepreneurs, along with an eclectic mix of food and creative related business tenants. The existing 2,000 square foot building will be demolished and the vacant area surrounding it will be converted into a parking lot, which will accommodate approximately 370 onsite parking spaces. The renovated building will be known as Mosaic Eastern Market and will feature approximately 66,910 square feet of flexible commercial/office space, approximately 12,235 square feet of food accelerator space, approximately 16,680 square feet of restaurant space, and approximately 16,977 square feet of green energy generation with the installation of an estimated 3,355 panel solar array on the roof.

The total investment is estimated to be \$22 million. The Developer is requesting \$6,059,937.00 in TIF reimbursement.

There will be 260 temporary construction jobs and 450 FTE jobs. The 450 FTE job will largely depend on the tenants, but may include: office personnel, restaurant staff, custodial staff, food processing specialists, distillery and/or brewery operators and production line staff.

Property Subject to the Plan

The eligible property (the "Property") consists of one (1) parcels located in Detroit's Eastern Market district, bounded loosely by Riopelle Street to the west, Hale Street to the north, Orleans Street to the east, and Erskine Street to the south.

Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) the Property was previously utilized for a commercial purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is determined to be a "facility," as defined by Act 381.

Eligible Activities and Projected Costs

The "eligible activities" that are intended to be carried out at the Property are considered "eligible activities" as defined by Sec 2 of Act 381, because they include Predevelopment Activities, Due Care Compliance Activities, Response Activities, Demolition, Lead and Asbestos Abatement, Site Preparation, Public and Private Infrastructure Improvements, and the preparation and implementation of a brownfield plan and Act 381 work plan. The eligible activities and budgeted costs are intended as part of the development of the Property and will be financed solely by the Developer. The Authority is not responsible for any costs of eligible activities and will incur no debt. The eligible activities are estimated to commence within 18 months of approval of the Plan and be completed within 3 years.

Tax Increment Financing (TIF) Capture

The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property after approval of this Plan pursuant to the terms of a Reimbursement Agreement with the DBRA.

COSTS TO BE REIMBURSED WITH TIF

1. Pre-Approved Activities	\$109,570.00
2. Due Care Compliance Activities	\$1,067,500.00
3. Demolition	\$1,189,581.00
4. Asbestos and Lead Activities	\$265,000.00
5. Infrastructure Improvements	\$1,027,000.00
6. Site Preparation	\$263,424.00
7. Brownfield Plan & Work Plan Preparation and Implementation	\$37,500.00
8. Contingency (15%)	\$513,045.00
9. Interest	\$1,587,317.00
Total Reimbursement to Developer	\$6,059,937.00
10. Authority Administrative Costs	\$1,291,536.00
11. State Brownfield Redevelopment Fund	\$324,620.00
12. Local Brownfield Revolving Fund	\$934,146.00
TOTAL Estimated Costs	\$8,610,239.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the DBRA from the Property shall be governed by the terms of the Reimbursement Agreement.

Other Incentives

The Developer is seeking additional incentives, which will include local and/or state approval of an Obsolete Property Rehabilitation Act (PA 146) Abatement.

Attached for the CAC's review and approval were three (3) resolutions: 1.) a resolution supporting the Plan in the event the Committee does not deem it necessary to conduct a CAC public hearing and 2.) a resolution authorizing a public hearing in the project area and 3.) a resolution authorizing a public hearing in the project area and to appoint up to two special CAC members. The public hearing may be held jointly with any public hearing conducted by the Detroit Brownfield Redevelopment Authority.

Mr. Goodwin provided more information about the project including how the project is in alignment with the goals and vision for the Eastern Market District, the marketing for potential tenants, the plans for the food accelerator to be included in the project, the plans to reopen Riopelle Street and the increased access to the Property, the Developer's plans for the hiring of Detroit residents, the effort of the Developer working with DTE Energy on the solar energy to be generated on the Property to provide electricity for portions of the Property as well as for the stormwater infrastructure, and the increase of food and retail options for Detroit residents.

Ms. Lee asked to see images of the Property in its current state. Images of the Property in its current state were provided by Mr. Greschuk.

Mr. Goodwin stated that the existing structure will be renovated, not demolished, and that the building was formerly used by the City of Detroit Water and Sewerage Department as a warehouse and vehicle maintenance facility, it has been vacant for about 25 years, and it is a one-story building with varying ceiling heights.

Mr. Razo asked for clarification on the demolition cost included in the eligible costs. Ms. Hardy stated that there is a 2,000 square foot building on the Property that will be demolished, the roof of the other building will be removed, and the existing parking lot will also be demolished and replaced.

Mr. Blocker asked for more information regarding the planned food accelerator. Mr. Goodwin stated that the Eastern Market Corporation will enter into a long-term lease for the food accelerator space and that the goal of the food accelerator is to provide a commercial space, and a retail space, for small food entrepreneurs to produce, package, and ship and sell their products and enable them to grow their business more quickly and efficiently than if they did not have the commercial space to use for their business needs.

Mr. Blocker asked if the food producers will pay to use space in the food accelerator. Mr. Greschuk stated that he does not know if the food producers will pay to use space in the food accelerator.

Dr. Randall asked if the Developer has contacted any other businesses or community organizations regarding the project. Mr. Goodwin stated that Michigan Farm to Freezer is located near the Property and that the Developer anticipated getting a letter of support from that organization.

Dr. Randall stated that there are residents living near the Eastern Market district and asked if there are any organizations or block clubs that the Developer could have contacted regarding the project.

Ms. Lee asked if Keep Growing Detroit is located near the project location. Mr. Goodwin stated that there is a community farm located near the Property.

Ms. Lee asked if the Developer has contacted the community farm. Mr. Goodwin stated that the Developer has been working with the Eastern Market Corporation on the project and that Eastern Market Corporation has been conducting the community engagement on the improvements related to the project.

Mr. Rawls asked if the Developer owns the property located to the east of the Property. Mr. Goodwin stated that the Developer believes that the property located to the east of the Property is owned by Michigan Farm to Freezer.

Mr. Cheeks asked what the second phase of the project entails. Mr. Goodwin stated that there were plans to develop residential units on the Property as part of a second phase, but those plans have been put on hold for now.

Mr. Rawls asked who the architect is for the project. Mr. Goodwin stated that the architect is Quinn Evans, and McIntosh Poris.

Mr. Rawls asked who the general contractor is for the project. Mr. Goodwin stated that the general contractor for the project is L.S. Brinker Company.

Mr. Rawls asked for more information regarding the plans for stormwater management. Mr. Goodwin stated that due to the amount of impervious surface on the Property there will be retention and detention systems, including cisterns with pipes that will collect water from the roof of the building and release water back into the City water system and there will also be a biofiltration system which will enable some water collected to be used for the operation of the building.

Mr. Rawls asked for more information regarding the Developer's outreach to Detroit-based contractors. Mr. Goodwin stated that the Developer is working with Colliers International to attract potential tenants based in Detroit to the space, and on the construction side the general contractor, L.S. Brinker Company who on past projects, has been in compliance with the Executive Orders.

Ms. Lee asked what the requirements are for the Executive Order. Ms. Kanalos stated that under Executive Order 2016-1, if there is a TIF request of \$3 million or more, the Developer is required to be in compliance with the Executive Order.

Mr. Rawls called for a motion recommending approval of the Brownfield Plan for Mosaic Eastern Market.

Mr. Blocker motioned to recommend approval of the Brownfield Plan for Mosaic Eastern Market without a CAC public hearing and without appointing special members. Mr. Razo seconded the motion. DBRA-CAC Resolution Code 19-10-279-01, recommending approval of the Brownfield Plan for Mosaic Eastern Market was unanimously approved.



**MINUTES OF THE
DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
PUBLIC HEARING FOR THE**

**MOSAIC EASTERN MARKET
BROWNFIELD REDEVELOPMENT PLAN**

**Thursday, October 17, 2019
Eastern Market Corporation, Shed #5
Russell Street at Alfred Street
Detroit, MI 48207
5:30 PM**

In attendance were:

Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Catherine Frazier (DEGC)
Kirstie Hardy (AKT Peerless)
Brian Holdwick (Ventra Group)
Malik Goodwin (Ventra Group)
Sanford Nelson (FIRM Real Estate)
Guy Pellino (Amore de Roma)
Alana Phillips (Well Done Goods)
Jordan Pellino (Amore de Roma)
Myles Hamby (The Platform)

Mr. Vosburg called the public hearing to order at 5:40 PM.

Mr. Vosburg informed the hearing of the tax increment financing request per the Brownfield Plan, including the eligible activities included, and provided an overview of the project.

Mr. Goodwin and Mr. Holdwick provided details regarding the redevelopment plan for the project and answered questions regarding the anticipated retail and food accelerator tenants and the availability of commercial space, compliance with applicable Executive Orders, anticipated start of construction, the financial need for the tax incentives being requested, the partnership with Eastern Market Corporation, the changes in zoning for the property, the plans for the pedestrian plaza, the plans and requirements for the stormwater management system, the planned solar array on the property, the plans for parking for the project, and the reopening of Riopelle Street and its potential effect on neighboring businesses.

Paper copies of the Brownfield Plan and renderings for the project were provided.

Mr. Nelson stated that he is completely in support of the project and that the renovation of the existing structure will help bridge the development happening between the Eastern Market Corporation sheds and the Dequindre Cut.

One person present indicated their support for the project on the sign-in sheet. There were no comments received in opposition of the project.

Mr. Vosburg closed the public hearing at 6:09 PM.

Exhibit C



CODE DBRA 19-10-279-02

MOSAIC EASTERN MARKET BROWNFIELD REDEVELOPMENT PLAN

WHEREAS, pursuant to 381 PA 1996, as amended ("Act 381"), the City of Detroit Brownfield Redevelopment Authority (the "DBRA") has been established by resolution of the City Council of the City of Detroit (the "City Council") for the purpose of promoting the revitalization of environmentally distressed areas in the City of Detroit; and

WHEREAS, under Act 381 the DBRA is authorized to develop and propose for adoption by City Council a brownfield plan for one or more parcels of eligible property; and

WHEREAS, in accordance with the policies, procedures and bylaws governing the DBRA, the DBRA has submitted a proposed Brownfield Plan for the **Mosaic Eastern Market Redevelopment Project** (the "Plan") to the Community Advisory Committee for its consideration and comment and has solicited comments by the public by publication of notice stating that the proposed Plan has been submitted to the Community Advisory Committee and by conducting a public hearing in the area to which the proposed Plan applies; and

WHEREAS, the Community Advisory Committee has considered the proposed Plan and approved a resolution recommending the approval of the proposed Plan by the DBRA and the City Council as presented by the DBRA; and

WHEREAS, in accordance with the provisions of Act 381, the Board of Directors of the DBRA has considered the proposed Plan and desires to approve the proposed Plan and to request that City Council call a public hearing to consider and adopt a resolution approving the proposed Plan.

NOW, THEREFORE, BE IT RESOLVED:

1. The Board of Directors of the DBRA has determined that the adoption of the Brownfield Plan for the **Mosaic Eastern Market Redevelopment Project** is in keeping with the purposes of Act 381 and recommends submittal of the Plan to City Council for approval.
2. The Board of Directors of the DBRA approves the Plan substantially in the form attached hereto and on file with the Secretary of the DBRA.
3. Any Authorized Agent of the DBRA is authorized and directed to submit a certified copy of this Resolution and the Plan to the City Clerk, together with a request that the City Council call a public hearing concerning the Plan and to take all other actions required to approve the Plan in accordance with Act 381.
4. That any one of the officers and any one of the Authorized Agents of the DBRA or any two of the Authorized Agents of the DBRA shall hereafter have the authority to negotiate and execute all documents, contracts, or other papers, and take such other actions, necessary or appropriate to implement the provisions and intent of this Resolution on behalf of the DBRA.

5. That all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

6. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

October 9, 2019

EXHIBIT D

**RESOLUTION CALLING A PUBLIC HEARING REGARDING
APPROVAL OF THE BROWNFIELD PLAN OF THE
CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FOR THE MOSAIC EASTERN MARKET REDEVELOPMENT**

The following preamble and resolution were offered by Member _____ and supported by Member _____:

WHEREAS, the City of Detroit, County of Wayne, Michigan (the "City") is authorized by the provisions of Act 381, Public Acts of Michigan, 1996 ("Act 381"), to create a brownfield redevelopment authority; and

WHEREAS, pursuant to Act 381, the City Council of the City duly established the City of Detroit Brownfield Redevelopment Authority (the "Authority"); and

WHEREAS, in accordance with the provisions of Act 381, the Authority has prepared a Brownfield Plan for the Mosaic Eastern Market Redevelopment (the "Plan") and submitted the Plan to the Community Advisory Committee for review and comment; and

WHEREAS, after receipt of the recommendation of the Community Advisory Committee to approve the, the Authority has approved the Plan and forwarded it to City Council with a request for its approval; and

WHEREAS, prior to approval of the Plan, the City Council is required to hold a public hearing in connection with consideration of the Plan pursuant to Act 381.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby acknowledges receipt of the Plan from the Authority.

2. A public hearing is hereby called on Thursday, the 31st day of October, 2019 at 10:25 AM, prevailing Eastern Time, in the Council Chambers, 13th Floor of the Coleman A. Young Municipal Center in the City to consider adoption by the City Council of a resolution approving the Plan.

3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

4. The City Clerk is requested to submit three (3) certified copies of this resolution to the DBRA, 500 Griswold Street, Suite 2200, Detroit, MI 48226.

AYES: Members _____

NAYS: Members _____

RESOLUTION DECLARED ADOPTED.

WAIVER OF RECONSIDERATION

Janice Winfrey, City Clerk
City of Detroit
County of Wayne, Michigan

**RESOLUTION APPROVING BROWNFIELD PLAN
OF THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FOR THE MOSAIC EASTERN MARKET REDEVELOPMENT PROJECT**

City of Detroit
County of Wayne, Michigan

WHEREAS, pursuant to 381 PA 1996, as amended ("Act 381"), the City of Detroit Brownfield Redevelopment Authority ("Authority") has been established by resolution of the City Council of the City of Detroit (the "City") for the purpose of promoting the revitalization of eligible properties in the City; and

WHEREAS, under Act 381 the Authority is authorized to develop and propose for adoption by City Council a brownfield plan for one (1) or more parcels of eligible property; and

WHEREAS, pursuant to the resolution establishing the Authority and the bylaws of the Authority, the Authority has submitted a proposed Brownfield Plan for the Mosaic Eastern Market Redevelopment Project (the "Plan"); and

WHEREAS, the Authority submitted the Plan to the Community Advisory Committee for consideration on October 9, 2019, per the provisions of the resolution establishing the Authority, and a public hearing was conducted by the Authority on October 17, 2019 to solicit comments on the proposed Plan; and

WHEREAS, the Community Advisory Committee recommended approval of the Plan on October 9, 2019; and

WHEREAS, the Authority approved the Plan on October 23, 2019 and forwarded it to the City Council with a request for its approval of the Plan; and

WHEREAS, the required notice of the public hearing on the Plan was given in accordance with Section 13 of Act 381; and

WHEREAS, the City Council held a public hearing on the proposed Plan on October 31, 2019.

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. Definitions. Where used in this Resolution the terms set forth below shall have the following meaning unless the context clearly requires otherwise:

“Eligible Activities” or “eligible activity” shall have the meaning described in Act 381.

“Eligible Property” means the property designated in the Plan as the Eligible Property, as described in Act 381.

“Plan” means the Plan prepared by the Authority, as transmitted to the City Council by the Authority for approval, copies of which Plan are on file in the office of the City Clerk.

“Taxing Jurisdiction” shall mean each unit of government levying an ad valorem property tax on the Eligible Property.

2. Public Purpose. The City Council hereby determines that the Plan constitutes a public purpose.

3. Best Interest of the Public. The City Council hereby determines that it is in the best interests of the public to promote the revitalization of environmentally distressed areas in the City to proceed with the Plan.

4. Review Considerations. As required by Act 381, the City Council has in reviewing the Plan taken into account the following considerations:

(a) Portions of the property designated in the Plan meets the definition of Eligible Property, as described in Act 381, including consideration of the criteria of “facility” as defined in Act 381;

(b) The Plan meets the requirements set forth in section 13 of Act 381.

(c) The proposed method of financing the costs of eligible activities is feasible and the Authority has the ability to arrange the financing.

(d) The costs of eligible activities proposed are reasonable and necessary to carry out the purposes of Act 381.

(e) The amount of captured taxable value estimated to result from adoption of the Plan is reasonable.

5. Approval and Adoption of Plan. The Plan as submitted by the Authority is hereby approved and adopted. A copy of the Plan and all amendments thereto shall be maintained on file in the City Clerk’s office.

6. Preparation of Base Year Assessment Roll for the Eligible Property.

(a) Within 60 days of the adoption of this Resolution, the City Assessor shall prepare the initial Base Year Assessment Roll for the Eligible Property in the Plan. The initial Base Year Assessment Roll shall list each Taxing Jurisdiction levying taxes on the Eligible Property on the effective date of this Resolution and the amount of tax revenue

derived by each Taxing Jurisdiction from ad valorem taxes on the Eligible Property, excluding millage specifically levied for the payment of principal and interest of obligations approved by the electors or obligations pledging the unlimited taxing power of the local governmental unit.

(b) The City Assessor shall transmit copies of the initial Base Year Assessment Roll to the City Treasurer, County Treasurer, Authority and each Taxing Jurisdiction which will have Tax Increment Revenues captured by the Authority, together with a notice that the Base Year Assessment Roll has been prepared in accordance with this Resolution and the Plan approved by this Resolution.

7. Preparation of Annual Base Year Assessment Roll. Each year within 15 days following the final equalization of the Eligible Property, the City Assessor shall prepare an updated Base Year Assessment Roll. The updated Base Year Assessment Roll shall show the information required in the initial Base Year Assessment Roll and, in addition, the Tax Increment Revenues for each Eligible Property for that year. Copies of the annual Base Year Assessment Roll shall be transmitted by the Assessor to the same persons as the initial Base Year Assessment Roll, together with a notice that it has been prepared in accordance with the Plan.

8. Establishment of Project Fund; Approval of Depositary. The Authority shall establish a separate fund for the Eligible Property subject to this Plan, which shall be kept in a depositary bank account or accounts in a bank or banks approved by the Treasurer of the City. All moneys received by the Authority pursuant to the Plan shall be deposited in the Project Fund for the Eligible Property. All moneys in the Project Fund and earnings thereon shall be used only in accordance with the Plan and Act 381.

9. Use of Moneys in the Project Fund. The moneys credited to the Project Fund and on hand therein from time to time shall be used annually to first make those payments authorized by and in accordance with the Plan and any development agreement governing such payments and then to the Local Brownfield Revolving Fund, as authorized by Act 381:

10. Return of Surplus Funds to Taxing Jurisdictions. The Authority shall return all surplus funds not deposited in the Local Brownfield Revolving Fund proportionately to the Taxing Jurisdictions.

11. Payment of Tax Increment Revenues to Authority. The municipal and the county treasurers shall, as ad valorem and specific local taxes are collected on the Eligible Property, pay the Tax Increment Revenues to the Authority for deposit in the Project Fund. The payments shall be made not more than 30 days after the Tax Increment Revenues are collected.

12. Disclaimer. By adoption of this Resolution and approval of the Plan, the City assumes no obligation or liability to the owner, developer, lessee or lessor of the Eligible Property for any loss or damage that may result to such persons from the adoption

of this Resolution and Plan. The City makes no guarantees or representations as to the ability of the Authority to capture tax increment revenues from the State and local school district taxes for the Plan.

13. Repealer. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

14. The City Clerk is requested to submit four (4) certified copies of this Resolution to the DBRA, 500 Griswold Street, Suite 2200, Detroit, MI 48226

AYES: Members

NAYS: Members

RESOLUTION DECLARED ADOPTED.

Janice Winfrey, City Clerk
City of Detroit
County of Wayne, Michigan

WAIVER OF RECONSIDERATION IS REQUESTED

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Detroit, County of Wayne, State of Michigan, at a regular meeting held on _____, 2019, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Janice Winfrey, City Clerk
City of Detroit
County of Wayne, Michigan